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'Mysterious' Turkish-Owned Vessel 'Drifting' in Black Sea

LD0111162393 Moscow ITAR-TASS in English 1511 GMT 1 Nov 93

[By ITAR-TASS correspondent Roman Zadunaiskiy]

[Text] Moscow November 1 TASS—The Black Sea Fleet's inspection team has not yet had a chance to examine the vessel "United States," ITAR-TASS was informed in the fleet's headquarters. The commander of the Black Sea Fleet forbid the ship to dock in Sevastopol until reports that the liner held dangerous materials were investigated.

Specialists from the Black Sea Fleet's radiation and chemical intelligence units have not been able to get inside the ship, since it is completely sealed up. They have been able to determine that one crew member is still aboard the ship, but no one has seen him yet.

The mysterious liner is registered in a New York port, and was "delivered" to the Black Sea base from Istanbul by a Turkish tugboat. Since October 29 it has been drifting between Cape Lukula and Yevpatoriya, awaiting the decision of the Sevastopol authorities. The ship was left outside Ukraine's territorial waters after the city's administration received a telegram from the general director of the "Inflot" agency. The telegram stated that the ship, sent to Sevastopol for repairs, is stuffed with toxic materials, which were then intended to be buried in the crimea.

What kind of "flying Dutchman" is this? Lloyd's register shows that the American passenger liner "United States" was once a quite unique ship. It is 301 meters long, 31 meters wide, and has a draught of 18 meters. The ship, built in 1952, was at that time considered a "superliner," whose speed could reach almost 40 knots per hour. The "United States" was the first American ship to win the "blue ribbon" prize, and won more than a few others as well. The ship hasn't been in active service for 17 years.

Do the Ukrainian authorities have sufficient reasons for their worries? Undoubtedly. All of the ship's bulkheads are covered with a layer of asbestos. All together this asbestos represents more than one ton of old, dried out, and very poisonous material. Asbestos is famous for causing cancer in the abdominal cavities and the lungs.

ITAR-TASS has found out that the "United States" is no longer an American ship. It was bought not long ago by a Turkish magnate-shipowner, whose name is still unknown. The magnate had a preliminary agreement with the Ilyichevskiy ship-repair factory to have the asbestos removed, but the latter refused to carry out the operation. Then the Turkish owner managed to sign a protocol of intent to carry out the "repairs" with the "S. Ordzhonikidze naval factory" in Sevastopol.

According to that factory, the deadly cargo of asbestos was supposed to be buried in the Mackenzie hills in Sevastopol.

A wave of public protests arose in Ukraine against the arrival of the "United States" in the Crimea. ITAR-TASS was informed in the Black Sea Fleet headquarters. "Greenpeace-Ukraine" representative Aleksey Kabyko said, "alarm over the deathly danger which asbestos causes forced the Turkish authorities to halt work on this floating coffin". "The ship's owners are cynically announcing that Ukrainians are more willing than Turks to die from cancer for the sake of their temporary wages," the Ukrainian said.

Ukrainian ecologists are very worried by the fact that their potentially prosperous republic, which has fallen into a severe economic crisis, has recently been subjected to a wide-scale toxic attack from abroad. "Greenpeace-Ukraine" announced that a stream of toxic substances has poured into Ukraine both by land and by sea.

The decision to admit the "floating coffin," the "United States" liner into Sevastopol rests with the city authorities.

Ivan Yermakov, the Sevastopol representative of the Ukrainian president, intends to hold a press-conference in the latter part of Monday in which he will speak on the "United States" question.

NATO 'Deaf' to Desire for CFE Treaty Revision

PM0111150593 Moscow IZVESTIYA in Russian 29 Oct 93 First Edition p 3

[Aleksandr Chertkov report: "Russia Does Not Have Enough Tanks on NATO's Southern Flank"]

[Text] Moscow and Kiev have become allies in the fight for a revision of the CFE Treaty.

The CFE Treaty allows Russia to have a total of 700 tanks in, for example, the Leningrad and North Caucasus Districts—over half the European part of the country—which in the military's opinion is insufficient. Events in the North Caucasus are becoming threatening. The district has gone from being a rear district to one effectively on the front line. Furthermore, it is cheaper to maintain troops in the favorable south than in the north.

Ukraine is not very worried by the situation in the North Caucasus, but it is concerned about relations with Russia regarding the problems of the Black Sea Fleet, the Crimea, Sevastopol...

The disbandment of the Warsaw Pact, the breakup of the Soviet Union, the deep economic crisis, and the instability in nearby foreign countries—nobody could have foreseen all this either in October 1973, when the talks began in Vienna, or in November 1990, when the treaty was signed. But it now transpires that the interests of Ukraine and Russia have been infringed by the treaty.

Moscow is not coming out against the treaty and will observe it. Mikhail Shelepin, head of the Russian Foreign Ministry Department for Conventional Weapons

Problems, said. However, the situation has changed so much that at the very least Article 9 should be temporarily suspended.

This primarily concerns limitations on heavy weapons deployed in "flank areas" immediately bordering NATO's northern and southern flanks.

So far Ukraine and Russia have been supported only by Belarus and Armenia. NATO countries have remained deaf to the arguments cited. Turkey is vehemently opposing any indulgence being shown to Moscow and Kiev. Does it fear that the two Slav states will threaten its security and territorial integrity? Or does Istanbul not want a stronger role for Moscow in the region, where the Turks would not be averse to strengthening their own influence?

CIS, E. European Nations Discuss Agrarian Market

LD2710142593 Moscow INTERFAX in English 1149 GMT 27 Oct 93

[Text] The Russian Government's decision not to import agricultural produce which is in ample supply in Russia does not go against the policy of increasing the integration of the former Soviet republics and all countries which favor the idea of creating a common agrarian market. This was announced by Russian Vice Premier Aleksandr Zaveryukha on Wednesday while opening an international conference on the creation of a common agrarian market of the CIS countries and other states concerned. The conference is attended by delegations of the former Soviet republics, and of Bulgaria, Hungary, Poland, and the Czech and Slovak Republics.

Experts say a common agrarian market will ensure the free movement of agricultural produce in the territories of the countries which will sign an inter-governmental agreement on the creation of such a market.

The delegates believe that a common market will help boost investments in agriculture, to properly supply the population with agricultural produce and food and light-industry enterprises with raw materials. A common agricultural market will help restore agricultural production twice as fast as broken contacts between the agro-industrial complex of the former Soviet Union and former COMECON Economic Assistance] countries.

Baltic-Black Sea Commonwealth Discussed in Moscow

WS0211114893 Minsk ZVYAZDA in Belarusian 23 Oct 93 p 2

[Report by Andrey Korsak: "Idea of Baltic-Black Sea Commonwealth Still Has More Supporters"]

[Text] An international conference called "Border" was held early this month in Moscow focusing on cultural ties among Russia, Ukraine, Belarus, Lithuania, and Poland.

Following his return to Vilnius, A. Tarleckas, leader of the Lithuanian League of Freedom, told reporters: "I came forward with a proposal to unite Latvia, Lithuania, Poland, Belarus, and Ukraine on a confederative basis. I believe that these countries have common ethnic foundations. However, Poland's representatives kept silent in response."

This way, the Lithuanian League of Freedom has joined those Ukrainian parties and movements that support the idea of a Baltic-Black Sea Commonwealth. In Belarus, the idea has been formulated and is supported by the Belarusian Popular Front.

Conference on Satellite Monitoring Opens in Almaty

LD0111172393 Almaty Kazakh Radio Network in Kazakh 1500 GMT 1 Nov 93

[Text] An international conference devoted to the problems of space and satellite monitoring of Kazakhstan opened today in Almaty. Scientists are attending from [word indistinct], the United States, Canada, China, Switzerland, Belgium and representatives of national aerospace agencies of everal countries.

The establishment of geoinformation systems is the focus of attention of the world's scientists. One cannot expect waste-free and ecology friendly technology to appear in the near future. Even if it is invented, it is hardly likely to be affordable for developing countries. For this reason, permanent quick response data on the situation in ecology must be available in order to forecast and program the most efficient development of the industrial infrastructure of these countries' territory. Researchers from Kazakhstan have already elaborated their first projects with the National Space Agency of France. Similar contacts are planned to be developed with NASA and the National Space Agency of Japan.

The conference will last for six days. Its program includes a roundtable, working group sessions, and a visit to the Baykonur cosmodrome.

Supreme Kenges Chairman Serikbolsyn Abdildin and heads of a number of ministries and departments of the republic attended the opening ceremony.

Russia's Shokhin Comments on Ruble Zone Creation

PM0111151393 Moscow ROSSIYSKAYA GAZETA in Russian 29 Oct 93 First Edition p 2

[Report by Aleksandr Krasulin and Vladimir Kucherenko: "Aleksandr Shokhin Conducts Negotiations. On Two Fronts"]

[Text] The creation of a ruble zone of a new type will not damage the Russian economy, since it will be a lengthy process of aligning the economic indicators of the countries that are party to the agreement, Aleksandr Shokhin, deputy chairman of the Russian Federation Council of Ministers-Government, stated categorically. He held a press conference 27 October during which he talked about the implementation of agreements on unifying the monetary systems of six CIS countries and about the talks with the EC Commission in Brussels.

Aleksandr Shokhin noted that Armenia, Belarus, Kazakhstan, Tajikistan, and Uzbekistan have pledged to coordinate their national legislation with the aim of bringing it into line with Russia's. However, this, the most straightforward part of the work, is still not complete.

In his words, it was agreed beforehand with the countries party to the agreement that the unification of monetary systems will be an act which must signify real compatibility between economies, above all in the sphere of monetary, budgetary, and credit and currency policy. It is proposed to take account of 12-15 economic indicators here.

Aleksandr Shokhin drew attention to a number of difficulties which will arise in the near future. Thus, during the introduction of national currencies—and such an act is expected in Turkmenistan Monday—the danger arises that old rubles will be dumped on other states still using the money of the former USSR. In addition, since Russia no longer prints the old bank notes, such states will soon be faced with the problem of supplementing their cash supply. In this connection they are already asking Russia to divide the process of unifying monetary systems into two phases and to first introduce a single currency and only then align the economies.

"Our policy is as follows: Russia must have guarantees that the CIS countries really intend to unite their economic systems, and not just to resolve their current problems over securing cash," the vice premier stressed. "At the same time, they must have a clear idea of the prospect awaiting them, and also what type of relations awaits them under the unification of monetary systems. If the countries express agreement to continue cooperation, the Russian side is ready to discuss transitional mechanisms for uniting currencies and noncash turnover."

Aleksandr Shokhin described as a "breakthrough" the consultations held in Brussels Monday with EC Commission Deputy Chairman Leon Brittan.

However, there remain disagreements in such sections as the trade in services and the activity of European firms in our market. The vice premier noted that Europe does not want to allow our aerospace or motor transport firms onto its market as they could constitute very strong competition to business there; however, it is demanding preferential status and the removal of all restrictions on the operations of European businessmen in Russia. Therefore talks on these questions will continue until next year.

Kazakh Official Sees No Chance To Merge Monetary Systems

LD0111145793 Moscow INTERFAX in English 1359 GMT 1 Nov 93

[Text] A top Kazakh government figure said Kazakhstan "has been ousted from the ruble zone and all possibilities for merging the monetary systems are lost."

This reason is a new condition established by Russia at the last round of talks between the two nations' government delegations in Moscow, Kazakh First Deputy Premier Daulet Sembayev told a news conference in Almaty on Monday.

He said Kazakhstan did not have enough gold or hard currency to buy Russian rubles and refused to obtain any on credit.

Russia's new condition ruined the principles underlying the Kazakh-Russian agreement on combining the two countries' monetary systems, Sembayev said.

He said the resulting state of affairs would affect talks on forming an economic union of CIS nations and the Kazakh government's attitude to the Commonwealth principles.

But Kazakhstan nevertheless remained convinced that economic links must not be severed, the deputy premier said.

He said the prime ministers of Kazakhstan and Russia, Sergey Tereshchenko and Viktor Chernomyrdin, would have a meeting in Moscow on Tuesday to discuss principles for the operation and interaction of the two states' financial systems.

Sembayev said Russia is ready to give Kazakhstan technical assistance in developing its hard currency market and regulating hard currency transactions between enterprises.

He said Kazakhstan was studying the experience of the three Baltic nations and Kyrgyzstan in building and operating their own monetary systems and hoped to receive assistance and advice from international organizations.

According to Sembayev, Kazakhstan currently has neither the technical facilities nor a legal basis for introducing its own currency, but he said that problem ought to be solved before the end of the year. Nor has it been decided yet whether the permanent national currency will be preceded by an interim currency, he said.

Article Urges Ruble Zone Guarantees for Russia

PM0211101993 Moscow ROSSIYSKIYE VESTI in Russian 2 Nov 93 p 3

[Article by Petr Filippov, leader of the Russian Federation Presidential Administration's Socioeconomic Policy Analysis Center: "Single Ruble Zone: Are Guarantees Possible for Russia?"]

[Text] The aim of making it easier to restore economic ties among CIS enterprises is a noble one. In order to implement it, it has been proposed that a so-called new type of single ruble zone be set up. In our view this is unlikely to be viable and will most probably turn out to have been a political swindle. At any rate, that is the obvious conclusion you draw after familiarizing yourself with the signed protocol from the Commission To Ensure Practical Measures To Unify the Monetary Systems of Russia and Kazakhstan.

How this "new-style single ruble zone" could turn out without some cast-iron guarantees for Russia's interests and for the separation of monetary systems is clear from the fact that, despite Kazakhstan's trade deficit in relations with Russia and despite the Kazakh ruble standing at 3.5 to the Russian ruble (when calculated in dollars), it would take 1.5 trillion rubles to meet Kazakhstan's requirement for new Russian money. This would inevitably lead to "Kazakh" inflation being imported into Russia and an outflow of Russian goods in exchange for the "worthless" rubles issued by the Central Bank of Kazakhstan and by other CIS countries. The situation that existed in early 1992 and from which Russia extricated itself with such difficulty would be restored.

Since the formation of a single ruble zone has already begun, it is nonetheless necessary to try to ensure guarantees that Russia's interests will be observed. Let us list the terms which, in our view, will make it possible to do so, if only partially.

All the former USSR republics are in debt to Russia. It will be extremely difficult to obtain a repayment of those debts under current conditions. That is why it would be appropriate to make debt repayment a condition for countries joining the single ruble zone.

The trade deficit between Russia and the CIS countries is determined by the structure of commodity exchange. In order to ensure that Russia, in covering the republics' trade deficit, does not settle accounts with them using its own resources, it is necessary that the most important condition for countries' entry to the single ruble zone is that their currencies be allowed to float. Only then can national currency exchange rates reach a level whereby the structural deficit will be eradicated. At any rate, the trade deficit, in our view, should not exceed 3 percent of GNP.

Countries which currently do not have their own currencies need to be forced to introduce them on the threat that transfers of cash rubles to them will be stopped. It would be desirable if national currencies were to receive IMF support.

For at least a year the currencies of countries wanting to join the ruble zone should be freely convertible into rubles on the basis of a floating rate. But even with that condition, before they join the ruble zone national currencies' exchange rates should be coordinated with Russia—in other words, Russia should have the right to "veto" unrealistic exchange rates.

An indicator of whether the CIS countries are really pursuing a coordinated economic policy with Russia should be the fulfillment of the following demands: the exchange rate against the ruble should not fluctuate by more than 10 percent in the course of a year, and inflation should not differ by more than 10 percent from the Russian level. For instance, if inflation in Russia is 20 percent a month, then it cannot go beyond 22 percent during the year in a country wanting to join the ruble zone. The budget deficit of a country that joins the ruble zone should not, in our view exceed 6 percent.

It would be useful to set up an interstate development agency (along World Bank lines) which would issue loans at market rates for long-term development projects and provide emergency short-term loans for one-two years. Needless to say, such loans would be contingent on a number of conditions enshrined in the agreement among the countries on the creation of the single ruble zone. The assets of the interstate development agency should become the property of the CIS countries in proportion to each participant's contribution. It would be advisable to give it the right of monetary emission on the basis of shareholders' contributions or with the backing of other countries [ili za schet drugikh stran]. The loans obtained from international financial markets by this agency would be more advantageous than those obtained by any one Commonwealth country individually.

In order to avoid bank failures caused by the inadequate management of the single ruble zone in one country, banking legislation should be coordinated among all participating countries. The commercial banks should have the right to hold agent accounts at commercial banks in other CIS countries. It would be appropriate to adopt coordinated international legislation to force debtors to fulfill their obligations and to set general rules for the behavior of economic subjects and general rules for payments.

Joining the ruble zone will mean abandoning tariffs, quotas, and other restrictions in relations with each other. Free movement of capital should be guaranteed. And interest rates should be set on market principles, without any restrictions.

It would be expedient to establish that the Central Bank of Russia will distribute the income from issuing rubles (emission income) in accordance with the nominal growth in each country's GNP. Russia will thereby not be levying a tax on the other ruble zone participants.

In order to avoid any action that might violate Russia's interests, the decision to create the new-style single ruble zone should, in our view, be ratified by the Russian Federal Assembly.

Black Sea Fleet To Guard Transcaucasus Transport Lanes

LD0211111893 Moscow ITAR-TASS in English 1002 GMT 2 Nov 93

[By ITAR-TASS correposndent Roman Zadunaiskiy]

[Text] Moscow November 2 TASS—A six-ship squadron of the Black Sea Fleet set out from Sevastopol on Tuesday [2 November] under the flag of Admiral Eduard Baltin, heading for the eastern part of the Black Sea to guard the common transportation system of the region of the Transcaucasus and the ports of Poti and Batumi, a spokesman at the headquarters of the Black Sea Fleet told ITAR-TASS.

This is being done in keeping with the arrangement among the Russian, Georgian, Armenian and Azerbaijani sides and in agreement with President Leonid Kravchuk of Ukraine.

The naval squadron consists of three large amphibious ships, one escort ship, a medium amphibious ship, and one mine sweeper.

Nazarbayev Signs Decision on Georgia's Admission to CIS

LD2910150693 Moscow Mayak Radio Network in Russian 1300 GMT 29 Oct 93

[Text] Kazakhstan gave the go-ahead today for Georgia to join the CIS. As is known, Eduard Shevardnadze sent an application to that effect to all heads of state of the CIS.

Kazakhstan's President Nursultan Nazarbayev today put his signature under the decision of the Council of the heads of states on Georgia's admission to the CIS.

Power Plants With RBMK Reactors Inspected

LD2910182593 Moscow ITAR-TASS in English 1649 GMT 29 Oct 93

[By ITAR-TASS correspondent Anna Bakina]

[Text] Moscow October 29 TASS—Nuclear power plants with RBMK [graphite-moderated, boiling water-cooled pressure-tube reactor] reactors (Chernobyl type) can be operated after some modernization, concluded the ruling committee of an international project with the name "Safety of Design and Operation of Nuclear Power Plants with RBMK Reactors", when summing up the first stage of independent examination of safety of nuclear power plants of this type.

Committee co-chairman and director of the Scientific-Research and Design Institute of Power Technology Yevgeniy Adamov told a news conference here today a total of 15 power units with RBMK reactors are operated in Russia, Ukraine and Lithuania.

Sixty independent experts began estimation of their work in March 1993. They have concluded that plants with RBMK reactors of old models should be modernized. Such improvements have been done at the first and second units of the Leningrad nuclear power plant and at the first unit of the Kursk nuclear power plant.

The fire alarm system was introduced at the Ignalina nuclear power plant in Lithuania.

It is now hard to name danger-prone sections of these reactors, a committee co-chairman and coordinator of organizations of Western states told ITAR-TASS. He does not exclude the control system and personnel will be the "risk factors".

A European Bank representative told ITAR-TASS Western states have opened an account at the bank to finance projects on the upgraded safety of nuclear power plants in Russia, Ukraine and Lithuania.

ITAR-TASS Carries Press Review for 2 Nov

LD0211084293 Moscow ITAR-TASS in English 0532 GMT 2 Nov 93

["Press Review"—ITAR-TASS headline]

[Text] Moscow November 2 TASS— NEZAVISIMAYA GAZETA (Independent Newspaper) on Russia's leading politicians:

Under the headline "100 Leading Politicians of Russia in October: the first five are Boris Yeltsin, Viktor Chernomyrdin, Yuriy Luzhkov, Yegor Gaydar, and Pavel Grachev. But the opposition has not lost its influence completely", the newspaper carries an article examining the reasons for the recent change of the political weight of this or that person who has shown his worth at top level in executive, legislative or judicial power bodies.

The writer of the article believes that the October 3-4 events in Moscow as well as those before and after them resulted in a genuinely radical change on Russia's political Olympus.

At the top of the list, compiled by the service for the study of public opinion, are obvious presidential associates headed by Yeltsin himself, the journalist writes. The president's main antagonists—Ruslan Khasbulatov and Aleksandr Rutskoy—can no longer put up competition to him because their rating is the 23rd and the 22nd

respectively. The estimates of their political influence have plummeted unprecedentedly.

NEZAVISIMAYA GAZETA on preparations for elections to the federal assembly:

Having recalled that the central electoral commission last Saturday endorsed regulations about the status of international (foreign) observers, the newspaper explains that election monitors will be under the state protection of the Russian Federation and will have the right to be given complete information on elections.

KOMSOMOLSKAYA PRAVDA on the role of the army:

The newspaper today introduces a new "military review" rubric which points out that the events of the recent period have shown that the role of power-wielding institutions and particularly the army has considerably grown in the life of Russia.

"There are already lots of examples of the influence of the military on the political situation. For brevity's sake, lets us limit ourselves to the October 3-4 events when the Armed Forces actually decided the outcome of the conflict between the branches of power. One may surmise that in the near future the army and its command will not fade into the background and will at any rate will try not to become thoughtless instruments in the hands of politicians".

Pointing out that the command of the Russian Armed Forces studies the results of the October events and errors made then, the newspaper reports a decision of the army command to divide Moscow into four sectors, with each of them being assigned a group of military units stationed in the Russian capital. This step by the military establishment is aimed doing its best subsequently to avoid the problems which arose in the army on the above-mentioned days," KOMSOMOLSKAYA PRAVDA added.

KRASNAYA ZVEZDA (Red Star) on Russian units deployed at flashpoints:

Today the newspaper reports that yet another attack was made on Russian border guards in Tajikistan last Sunday when a patrol of the 12th border picket of the Moskovskiy border-guarding detachment was fired upon from mortars.

It is known that units of Russian troops have also been deployed in Georgia where they guard important transportation arteries.

The writer of an article published in the newspaper today maintains that supporters of Georgian ex-President Zviad Gamsakhurdia are busy preparing a "decisive battle" and that Russian servicemen may found themselves at the epicentre of it. He points out that Russian units guarding bridges and railway tunnels from Poti to Tbilisi are incessantly fired upon by Zviadistas.

KRASNAYA ZVEZDA on Russia's stand on the Yugoslav conflict:

The newspaper carries an interview with General Jean Cot, commander of the U.N. Peacekeeping Force in the Former Yugoslavia, who said that "Western countries regard in earnest Russia's stand which is in the belief that the use of force should be excluded in a solution to the Balkan conflict."

Considering the importance of the U.N. peacekeeping mission in the region, General Cot at the same time emphasised that the commander of the U.N. force in Bosnia-Herzegovina and he "would be happy if 50,000 additional NATO troops, including U.S. and Russian armed forces would appear here soon".

PRAVDA on the invariability of its convictions.

The newspaper has been out of print "for 30 long days." "A whole epoch has passed since then. The beginning of a new era was marked by tank gun salvoes", PRAVDA writes, pointing out at the same time that the newspaper does not change its convictions.

"We abide by the best traditions of PRAVDA which remains the tribune of left-wing forces and supporters of socialist values. We condemn extremism in all its forms," the newspaper emphasises.

PRAVDA on the forthcoming December elections.

The newspaper carries an analytical article expressing an opinion that the elections should not be boycotted because, according to a new statute of elections to the Federal Assembly, election results will be valid even if only 25 per cent of the electorate take part in the polling.

Supporters of the present government can poll such a number of votes, the analyst believes. In that case "in the Federal Assembly there will be no deputies aiming to uphold the interests of the workingman," he maintains.

French Prime Minister Arrives on Official Visit

LD0111132393 Moscow ITAR-TASS World Service in Russian 1215 GMT 1 Nov 93

[By ITAR-TASS diplomatic correspondent Vladimir Taranov]

[Text] Moscow, 1 Nov—French Prime Minister Edouard Balladur arrived in Moscow today for an official two-day visit. He is scheduled to meet Russian President Boris Yeltsin and Foreign Minister Andrey Kozyrev. He will also have thorough talks with Viktor Chernomyrdin, the head of the Russian Government.

During discussion of international topics, attention is expected to focus on ways of speeding up Russia's integration with the world economy and increasing its cooperation with the G-7 group. It is thought that European problems, as well as the situation in the CIS will occupy a special place during the talks.

Talks Previewed

PM0211091393 Moscow ROSSIYSKIYE VESTI in Russian 2 Nov 93 p 1

[Pavel Shinkarenko report: "French Prime Minister Edouard Balladur Arrives in Moscow"]

[Text] This visit is Edouard Balladur's first to Russia as head of the French Government. Like the recent visit to Paris by Andrey Kozyrev, head of the Russian Foreign Ministry, it is timed to coincide with the 100th anniversary of the Russo-French alliance.

Edouard Balladur intends to stay a little over a day in Moscow. But the visit will be full of important meetings with politicians, cultural figures, and entrepreneurs. The guest from Paris will visit the Pushkin Museum of Fine Arts, where there is an exhibition of archive documents and historic exhibits devoted to the 100th anniversary of the Russo-French alliance. He will then meet with his fellow countrymen.

After lunch there will be a meeting in the Kremlin with Russian Federation President Boris Yeltsin and detailed talks with Viktor Chernomyrdin, chairman of the Council of Ministers. According to the Russian diplomat who gave ROSSIYSKIYE VESTI these details, Edouard Balladur's meetings with Russian leaders are intended to give additional impetus to the development of bilateral cooperation. During the discussion of international issues priority attention will be devoted to "accelerating the process of integrating Russia into the world economy and strengthening its collaboration with the G-7 countries." "Special attention" at the talks will be given to European problems, particularly the situation in the CIS, he stressed.

Balladur Welcomes Elections

LD0111212993 Moscow INTERFAX in English 1929 GMT 1 Nov 93

[Text] "The dramatic events that shook Moscow recently would make sense only if they let the great people of Russia to freely express their opinion of the institutional changes and elect their representatives," the French Prime Minister Edouard Balladur said in Moscow on Monday [1 November]. He was speaking at a reception in his honor given by Russia's Prime Minister Viktor Chernomyrdin.

"We welcome the intention of the Russian authorities to hold general elections, which would be the best guarantee of future stability in Russia," the French Prime Minister said. In his opinion, France could promote the success of the Russian government's policy of transition to a market economy. In that connection he said that French banks were the first to open their offices in Russia, while many French enterprises had already started real industrial activity in Russia.

Prime Minister Balladur said that process would develop still further if French businessmen were sure their operations were being backed up by the right legislation.

The French prime minister said that Paris was certain that Russia must play a leading role in Europe. He recalled that as soon as he took office as prime minister, he made a proposal for a treaty of stability in Europe and that many countries had been invited to take part. He said that in the subsequent six months that idea became a common project of the 12 EC member-countries, which the European Council confirmed last week. "I state once again that Russia must take a place it deserves in that project it has been already invited to join," Prime Minister Balladur said.

In turn, Viktor Chernomyrdin said he was interested in mutually beneficial and more specific bilateral cooperation. He voiced the firm hope that the negotiations in Moscow would confirm not only mutual understanding between Russian and France, but would help advance bilateral relations in all spheres.

Kozyrev, Juppe Meet

LD0211113193 Moscow ITAR-TASS in English 1111 GMT 2 Nov 93

[By ITAR-TASS correspondent Georgiy Shmelyov]

[Text] Moscow November 2 TASS—Russian Foreign Minister Andrey Kozyrev has met with his French counterpart Alain Juppe in the Russian Foreign Ministry today.

Kozyrev and Juppe discussed some issues of Russo-French relations and exchanged opinions, in particular, about an agreement on cooperation and partnership between Russia and the EC which is currently being prepared for signing and France's initiative on a stability

package in Europe. Kozyrev informed Juppe about the political situation unfolding in Russia in the run up to December parliamentary elections.

The French minister arrived in Moscow as a member of the delegation led by French Prime Minister Edouard Balladur currently in Moscow on an official visit.

Kozyrev Comments on Talks

LD0211152093 Moscow ITAR-TASS World Service in Russian 1358 GMT 2 Nov 93

[By ITAR-TASS correspondent Gennadiy Talalayev]

[Text] Moscow, 2 Nov—During the course of the meeting between President Boris Yeltsin and French Prime Minister Edouard Balladur, which took place in the Kremlin today, it was stressed that the essence of special relations between the two countries is preserved. Russian Foreign Minister Andrey Kozyrev, who took part in the meeting, said this in answer to a question from an ITAR-TASS correspondent.

Kozyrev noted that in present conditions these special relations between Russia and France were not aimed against a third party but at stabilizing the general situation in Europe. In the words of the head of Russia's foreign policy department, the French side cannot imagine European security and political integration without Russia.

The Russian president and the French prime minister stressed the need to complete the work on an agreement on avoiding double taxation and to adopt other measures promoting mutually-advantageous cooperation between Russian and French businessmen.

In the course of the meeting, Yeltsin acquainted Balladur with the main points of the Russian military doctrine adopted by the Security Council today. The sides agreed to continue consultations on the military doctrines of the two countries, bearing in mind, Kozyrev said, that we have common challenges—aggressive nationalism, violation of rights of ethnic minorities, and so on.

The sides also devoted attention to the protection of rights of the Russian-speaking population in the Baltic states. Kozyrev said that preparations are under way for a series of meetings with leaders of the Baltic states. Whether they are held or not will depend on the resolution of a number of issues linked to guaranteeing human rights and to the withdrawal of Russian troops, the minister noted.

Kozyrev's London Visit, Talks Detailed

PM0211112993 Moscow IZVESTIYA in Russian 29 Oct 93 First Edition p 3

[Maksim Yusin report: "Who Will Finance Peacekeeping Operations in CIS. West Has Not Yet Responded to Moscow's Request To Share Financial Burden"]

[Text] London-Moscow—Russian diplomacy is making desperate efforts to try to persuade the West and the United Nations to share with Moscow the financial burden of peacekeeping operations throughout the former Soviet Union. Andrey Kozyrev's two-day visit to London was no exception. This subject was also broached in a conversation with UN Secretary General Butrus-Ghali and in talks with British diplomacy chief Douglas Hurd.

Russia's aim is to secure the creation of a special fund to finance peacekeeping operations in Tajikistan, Georgia, Moldova, and other CIS trouble spots. Despite Kozyrev's persistence this idea has not yet found support—"the West fears that Moscow will yield to the temptation to restore its former positions and spheres of influence in neighboring states," a high-ranking British diplomat told AFP. Kozyrev strongly disagrees with such suspicions. Speaking at the Royal Institute of International Relations, he urged that the imaginary threat of Russian imperialism not be exaggerated. "Russia's refusal to keep the peace in conflict zones would threaten a 'Yugoslav scenario' in the former USSR," he stated.

Smolensk Square [Russian Federation Foreign Ministry] has reacted with surprise to Butrus-Ghali's statement that Russian troops must participate in peacekeeping operations in Asia and America, while it is better to send "blue helmets" from Asiatic, African, and Latin American states to the former Soviet republics. "It is an unrealistic proposal. Transferring peacekeepers across the ocean to trouble spots on Russia's borders will cost a vast amount of money. Why have this unnecessary expense when our troops are already present there and are ready to act under the UN flag?"—so believes a high-ranking diplomat, who wishes to remain anonymous.

During consultations with Hurd the situation in Tajikistan, Georgia, and Nagorno-Karabakh was discussed and the question of the presence of Russian troops in Latvia and Estonia was broached. Yet again refuting Defense Minister Pavel Grachev's comments, Kozyrev assured Hurd that Russia is not linking this problem with the position of the Russian-speaking population and that "nobody intends imposing" a Russian military presence on the Baltic countries.

Both Prime Minister John Major and Hurd have reaffirmed London's immutable support for President Yeltsin. The creation of a fund of 500,000 pounds sterling "to promote democracy in Russia" was announced. This money will be used to train specialists in running election campaigns, for the technical equipment of the future parliament, etc. Britain will send observers to the December elections, including members of parliament and government officials.

The day before Kozyrev's arrival the British press predicted that the most potentially explosive subject at the talks would be Moscow's refusal to support the strengthening of international sanctions against Libya. THE

DAILY TELEGRAPH wrote that "Britain is extremely unhappy about Russia's threat to veto the UN Security Council's draft resolution." According to the newspaper's information, British officials would have to "remind" Kozyrev of London's unconditional support for President Yeltsin in August 1991 and October 1993 and let him know that Moscow's attempts to block the resolution, drafted with input from Britain, are being regarded with extreme chagrin in London.

According to Russian delegation members who attended the talks, the subject of Libya did indeed arise, although there were no tough "reminders" from the British side: "Major and Hurd calmly listened to [illegible]rguments. No tension was felt." Kozyrev told hi[illegible]locutors that Moscow's skeptical attitude toward [illegible]esolution was prompted "exclusively by economic reasons," that Russian interests had to be taken into account during preparation of the draft, and that it was still not too late to amend the text to take account of certain of Moscow's wishes. "Whom is this resolution meant to punish—al-Qadhdhafi or us?" was the rhetorical question Kozyrev put to Hurd.

Among other subjects of international life, main attention was devoted to the situation in the former Yugoslavia and the problem of nuclear tests following China's violation of the moratorium. Russia and Britain reaffirmed that, despite this "regrettable fact," they have no intention of resuming nuclear explosions for the time being.

And finally: During Kozyrev's visit he was accompanied everywhere by Russian Ambassador to London Boris Pankin, who, as is known, was removed from his post by a Yeltsin edict. "There is nothing surprising about Pankin's presence," Kozyrev's entourage explained; "until the new ambassador arrives his predecessor continues to fulfill his duties—especially during an official visit by the foreign minister. This is standard diplomatic practice." The name of Pankin's successor has not yet been announced.

Ministry 'Clarifications' on Coverage

MK3010121093 Moscow KOMMERSANT-DAILY in Russian 30 Oct p 4

["International Life desk"-signed report: "News Briefing in Russian Foreign Ministry. Foreign Ministry Comes Forward With Clarifications, but Questions Remain"]

[Text] Foreign Ministry spokesman Mikhail Demurin came forward in yesterday's news briefing at the Foreign Ministry with "clarifications" in connection with the coverage of Andrey Kozyrev's visit to Great Britain in "some organs of the press." Mr. Demurin stated: "No one should feel surprise at the English side's interest in the forthcoming elections in Russia. During Kozyrev's visit, London's readiness to render technical assistance, in which all Russian political parties are equally interested, was expressed." This assistance, including $750,000 earmarked by the Westminster Fund for Democracy will, in Demurin's words, be used after the elections and "are not intended for one party but for all of Russia—for the reinstatement of parliamentarianism." Saying that "someone was asking for help in London" is irregular, in the opinion of the Foreign Ministry.

Mr. Demurin must have had in mind KOMMERSANT-DAILY's article yesterday that posed the rhetorical question of "how ethically irregular" was it on the part of the Foreign Ministry head, who combines his office duties with the election campaigning, to permit the inclusion of the topic of assistance for the election on the talks' agenda. Incidentally, the above fund intends to carry out support and monitoring by experts of the very process of preparation for and holding of the elections and of covering them in the mass media. Neither did Mr. Demurin answer the question from KOMMERSANT-DAILY on whether there exists an "impartial mechanism of distribution" of the money among all parties of Russia. As for Kozyrev's allegedly asking for money in London, KOMMERSANT-DAILY did not write about it. Besides, KOMMERSANT-DAILY is confident that such "awkward questions" are inevitable unless a clear border has been drawn (on TV, for example) between a "minister-candidate" and just a "candidate." As for avoiding the so-called conflict of interests (a term widely used in the Western democracy that Westminster Fund wants to teach Russia) it can be totally avoided on the basis of a rigid separation of powers.

UK MP Comments on Assistance for Elections

LD0111171693 Moscow INTERFAX in English 1552 GMT 1 Nov 93

[From the "Diplomatic Panorama" feature]

[Text] Britain supports President Boris Yeltsin and is comfortable with all efforts being taken in Russia towards achieving democratic elections to the Federal Assembly, said the chairman of a House of Commons Standing Committee, Denis Howell, in an interview with Interfax in London.

When asked whether Britain could give "technical assistance" in the holding of elections in Russia, he said "anything that we can do, we will do, not favoring one party or another but enabling partisan views to be expressed in an orderly and fair way" so that Russia can get on with its reforms."

According to the British parliamentarian, after the elections Russian politicians will have to begin in earnest to carry out economic reforms and improve living standards in the country. Russia has enormous potential, he said, but current difficulties have made such potential hard to realize.

Aide Reports Progress on Negotiations With EC

PM0111171793 Moscow IZVESTIYA in Russian 30 Oct 93 First Edition p 1

[Aleksey Portanskiy report: "We Are Acknowledged To Be a Transitional Economy Country, and This Gives Us Real Advantages"—quotation marks as published]

[Text] As a result of this week's contacts between Aleksandr Shokhin, vice premier of the Russian Federation Government, and Sir Leon Brittan, vice president of the EC Commission, an accord was reached on the EC's granting Russia the status of a transitional economy country. This removes the chief obstacles to preparations for signing a treaty of partnership and cooperation between the Russian Federation and the EC, opening up the prospect of equitable trade relations.

Hitherto the West has regarded Russia as a country with a state-regulated economy—which could in no way suit us, for a whole number of trade restrictions were a direct consequence of such an approach. As is known, fair access to world markets is far more important to us than Western humanitarian aid, since it provides incomparably greater material advantages. For more than a year of talks it was this factor that was the stumbling block to the final elaboration of the text of the treaty.

"The status of a country with a transitional economy really suits us," Aleksandr Shokhin declared in an exclusive interview for IZVESTIYA. "We have gotten precisely what we were seeking when we argued for the state of the Russian economy as a market economy. This status enshrines a normal mechanism of a transitional nature which presupposes Russia's consistent inclusion in the European economic area. Thus, we have decided that talks on a free trade zone will start in 1998. In addition, the necessary corrections to the partnership treaty will be made after Russia joins GATT (the Russian Federation has already submitted its application to join—A.P.)—which will consolidate a nondiscriminatory approach to Russia in trade.

Another problem is that the communities are asking for a preferential regime on the Russian Federation's territory for their own companies and banks, which possess clear competitive advantages compared with Russians ones, while simultaneously preserving certain obstacles to our competitive firms on the EC market, which are involved, in particular, in space launches and motor transport operations. Even here, however, it is possible to find mutually acceptable solutions, including in such a complex sphere as banking.

"The EC Commission has gone some way toward meeting the Russian side's wishes," Shokhin pointed out. "An accord has been reached that, in order to protect Russian banks which have not yet become strong, certain restrictions will apply to EC banks for five years after they have been established on Russian Federation territory on the basis of a most-favored regime, namely restrictions governing the number of bank branches opened on Russian Federation territory and the size of the minimum deposit. EC banks also will not be able to carry out brokerage operations with shares and privatization checks. These exceptions do not, however, extend to joint banks with Russian capital. An agreement has also been reached on the progressive removal of barriers in the sphere of trade in space services.

As a result of the talks held, the EC Commission will recommend the Communities Council to complete talks with Russia on the partnership treaty in the very near future.

Filatov Receives European Parliament Delegation

LD0111164693 Moscow Ostankino Television First Channel Network in Russian 1500 GMT 1 Nov 93

[Report by correspondent Andrey Sturua; from the "Novosti" newscast]

[Text] In Moscow today Sergey Filatov, head of the Russian president's administration, received a delegation of the European Parliament for relations with the CIS countries, headed by Magdalene Hoff. Sergey Filatov informed the guests about the progress made in preparations for the elections, having particularly stressed that equal campaigning opportunities are guaranteed in Russia in the conditions of a multiparty system. He also answered questions put to him by the guests.

For her part, Magdalene Hoff, speaking on behalf of the parliament, expressed readiness to provide all possible assistance to Russia's young democracy without interfering in its internal affairs.

Energy Sector Collaboration With U.S. Hailed

PM0111131193 Moscow ROSSIYSKIYE VESTI in Russian 28 Oct 93 p 3

[Nikolay Myakinnik article: "And O'Leary's Streetlights Will Be Shining. U.S. Energy Secretary Backs Joint Projects"]

[Text] The implementation of one cooperation project between Russian and U.S. power generation personnel will result in the first U.S.-style streetlights appearing in Moscow within a year, U.S. Energy Secretary Hazel O'Leary told journalists. During a news conference in which she and Yuriy Shafranik, Russian minister of fuel and energy, took part, something not entirely usual for this kind of event occurred: The sides signed a memorandum of intent to develop cooperation further. Mrs. O'Leary also used her time in Moscow to discuss problems pertaining to the security of nuclear power generation with Russian Atomic Energy Minister Viktor Mikhaylov.

Another step has been taken toward implementing the Russian-U.S. intergovernmental agreement on scientific and technical cooperation in the fuel and energy sphere

signed last July. Provision is primarily made for information exchange on the development of power generation in both countries, as well as for developments in the field of environment-friendly power-generation technologies, nontraditional renewable power sources, and the development and introduction of energy-saving technologies.

In short, the range of cooperation is gradually expanding. At the moment the main thrust is toward prospecting for and developing oil and gas fields and resolving problems of oil recovery and oil refining.

It is evidently worth naming the most important projects that are being carried out with the participation of foreign firms. These include the plan to open up the Lunskoye and Piltun-Astokhskoye fields on the Sakhalin shelf, known as the "Sakhalin-2" project. It is being carried out by a consortium that includes the U.S. companies McDermott and Marathon. Talks are now under way on preparations to sign an agreement on the division of output at the end of the year.

A project to develop the Ardalinskoye oil field in Arkhangelsk Oblast is being carried out by a joint enterprise involving Conoco. Investment totals around $1 billion. The first oil is to be obtained this year.

Other projects include the development and opening up of the Komsomolskoye oilfield. Efficiency will be attained by drilling horizontal wells and dual-pumping wells. Oil is being worked and extracted in Tyumen Oblast by the "Chernogorneft" and Anderman Smith joint enterprise. Investment credit here totals $80 million.

It is funding that is the stumbling block to the implementation of promising schemes. Hence the tremendous importance of the Framework Agreement on $2 Billion Funding for Oil and Gas Industry Projects signed last summer by the Ministry of Fuel and Energy, the Finance Ministry, the Central Bank of Russia, and the U.S. Export-Import Bank. The agreement was evidence on the one hand of expert diplomatic calculation and, on the other, a manifestation of the Ministry of Fuel and Energy's autonomy. After all, the agreement avoided direct guarantees from the Russian Government, and this made it possible to enlist considerable funds without increasing the country's foreign debt. That is the only reason for the recriminations directed against our power generation personnel of allegedly living off the state. On the contrary, the Ministry of Fuel and Energy has autonomously (without burdening the state) succeeded in moving forward a number of highly promising projects. Contracts can already be concluded under the framework agreement.

What is more, the following steps to improve the coordinated funding scheme are perfectly feasible. Total credit can be increased to $3-5 billion. It is quite likely that there will be a move to the principles of project financing for Russian fuel and energy complex programs, whereby the Export-Import Bank would take on all the commercial risks. The bank is embarking on this, and is not, moreover, imposing restrictions on the maximum amount of credit provided.

It is undoubtedly wrong not to avail ourselves of such a favorable situation. Just look: the Ministry of Fuel and Energy is making the Import-Export Bank its debtor. This is simple if you draw the analogy with the old story: If you can't lend me all the money I need straightaway, just give me half and owe me the rest.

The "Russian Oil Initiative" holding company set up with Ministry of Fuel and Energy backing may provide a definite stimulus to the work of the fuel and energy complex. It aims to provide enterprises with the requisite methodological and expert assistance in implementing production and organizational-economic programs in the sphere of investment and credit activity, project financing, and forward planning. We are also talking about assistance in introducing new economic methods of management and progressive technologies and of retraining and training personnel.

The founders, who include the "Yukos," "Megionneftegaz," and "Surgutneftegaz" joint-stock companies and companies and the "Yugorskiy" and "Imperial" joint-stock banks, are an indication of the seriousness of the intentions. Two specialized centers will be set up initially with foreign partners; that is, the major U.S. consultancy company Arthur Anderson and the Chase Manhattan Bank, which is active in the power-generation field.

Like it or not, contemplation of Russian-U.S. cooperation in the field of power generation gives rise to ideas of a one-way street. The following ordinary question gets kind of lost in the talking: How can we help the Americans?

What we can do is critical. Yu. Shafranik, Russian fuel and energy minister, recalled that in the seventies we expended less energy on a unit of output than the United States, but now the roles have been reversed. We have fallen considerably behind. That is why one of the most important aspects of cooperation should be implementation of the joint project to boost energy efficiency. The fact that the projects now being signed do not merely envisage selling oil-extraction and -refining equipment but producing it in Russia enables us to keep face to some extent and to hope to strengthen our own material base in the future.

Nonetheless the question of our helping the United States—albeit in the future—is no idle one. We are tremendously in its debt. In the field of scientific and technical development among others. Russia does after all have plenty of world-class achievements that should be shared via equitable cooperation and not merely by the emigration of talented scientists.

Take our electricity industry, unique in terms of size and efficiency. The reliability of power stations' power units is striking. And medium-yield atomic reactors with passive-security systems are worth mentioning, as are

projects in the field of nontraditional power generation. The West is undoubtedly interested in our achievements. It is important to translate that interest into business cooperation.

The U.S. energy secretary's lack of bias and her pragmatism toward any projects evoke optimism here. Mrs. O'Leary is ready to back those projects that prove really effective and to continue cooperation without heed to the changeability of the political climate and the internecine passions in Russia.

U.S. Firm To Use Proton Boosters To Launch Satellites

LD0111215993 Moscow Russian Television Network in Russian 2000 GMT 1 Nov 93

[From the "Vesti" newscast]

[Text] The INTERFAX agency has reported that Russian Proton class booster rockets will be used by a U.S. company, Loral [Corporation], to launch five telecommunication satellites. The launches are to be made within the framework of the Russian-U.S. intergovernment agreement.

Ministry Aide Urges International Action on Bosnia

LD0111162893 Moscow Radio Moscow World Service in English 1210 GMT 1 Nov 93

[Commentary by Aleksandr Shakhin]

[Excerpt] [passage omitted] Russia, which has been taking active part in the [illegible]e settlement, supports this idea [of another international conference on Bosnia]. Yet the question arises: Now that much has been done to promote a peace settlement in the Balkans, should the international community begin everything from scratch again?

Be that as it may, journalists accredited to Moscow asked during their regular official meeting with a Russian Foreign Ministry official to explain Russia's stand on the matter. Here is what a Foreign Ministry official, Mikhail Demurin, said.

[Begin Demurin recording in Russian fading to English translation] In general, our approach is that we support all suggestions aimed at a peace settlement of the Yugoslav crisis. Such suggestions should be made with due account of all the difficulties involved in the problem, should be concrete, and proceed from real opportunities of the international community. We would like this suggestion to meet all the three conditions. True, suggestions can materialize given agreement and goodwill of all the parties to the conflict. We believe the meeting could be a major contribution if well prepared yet we are convinced that a preparation to such a conference must not push into the background the burning issues of ending the bloodshed and more humanitarian aid to the population. The international community should do all it can to prevent the winter and the war from closing down the problem by taking the lives of most of the Bosnian population. [end recording]

Favors Resuming Yugoslav Gas Supplies

LD0211144093 Moscow ITAR-TASS World Service in Russian 1230 GMT 2 Nov 93

[By ITAR-TASS diplomatic correspondents Boris Krivoshey and Vladimir Suprun]

[Text] Moscow, 2 Nov—Russia thinks it is necessary to resume gas supplies to the Federal Republic of Yugoslavia for humanitarian reasons, and is seeking a positive resolution of this issue from the UN Security Council Sanctions Committee. This was reported today at a briefing by Mikhail Demurin, deputy head of the Department of Press and Information at the Russian Foreign Ministry.

However, the diplomat noted, the Security Council Sanctions Committee has not, as yet, granted permission for this.

Commentary Views PRC Resumption of Nuclear Testing

OW0111181193 Moscow Radio Moscow in Mandarin 1300 GMT 1 Nov 93

[Commentary by station observer Yuriy Solton from the "Good Night, China" program]

[Text] Moscow has formally informed the United Nations that it hopes to continue the nuclear test moratorium. Solton, an observer of this station, has the following comments on this:

China conducted an underground nuclear explosion on 5 October. Following this, there has been the danger that other nuclear powers might follow suit. This danger is well founded. U.S. President Clinton immediately ordered the Energy Department to prepare to resume nuclear tests. French Prime Minister Balladur also took a similar step. As for Britain, it has conducted its own nuclear tests at a site in Nevada in the United States. Britain has long wished to test its new nuclear warheads for its Trident submarines.

Moscow proposed a nuclear test moratorium. Before 5 October, all members of the nuclear club had suspended nuclear tests. Moscow expressed regret over China's nuclear test. It should be pointed out that Russia has suspended nuclear tests for 3 years, and many people in the military have complained about this. Nevertheless, the Russian Government has decided to continue the nuclear test moratorium and has urged other countries to take similar steps. French President Mitterrand, disregarding Prime Minister Balladur's instruction, has adopted a similar position. On 3 July, U.S. President Clinton announced that the United States would suspend nuclear tests for 15 months. All indications show

that the United States does not want to violate this agreement for the time being. It should be pointed out that the United States can resume nuclear tests only after the Congress has agreed to do so.

On 10 August, the Geneva disarmament meeting, which China also attended, unanimously adopted a resolution to begin multilateral talks on drafting a treaty banning all verifiable nuclear tests. These talks should begin in January 1994. China plans to take part in the talks. Not long before, in a letter to the United Nations, Beijing said it would suspend its nuclear tests only if a treaty completely banning all nuclear tests is signed not later than 1996.

I think a unique possibility still exists that nuclear tests can be stopped in the near future. I believe this opportunity should not be missed.

Problems of Nuclear Waste Dumping, Recycling Examined

PM0111160093 Moscow KRASNAYA ZVEZDA in Russian 27 Oct 93 p 2

[Article by Vladimir Maryukha: "Suspended Sentence. Having Learned To Control the Nuclear Reaction, Mankind Is Only Now Learning To Deal With Its Consequences"]

[Text] More than 900 cubic meters of radioactive waste were poured into the Sea of Japan 150 km south of Nakhodka, in several stages, from the tanks of a ship of the Russian Navy's auxiliary fleet, provoking a storm of protest in the countries of the region. But provided the discharge was carried out evenly, the concentration will not be great and will have no significant impact on the environment. That, at least, is the opinion of experts from the Russian Federation Ministry of the Environment and Natural Resources, who authorized and monitored the implementation of this action. Furthermore, it is the lesser evil in a situation where mankind—and first and foremost the scientists of the nuclear powers—made the atom serve him, but considered the consequences of this "service" only after the harm it had done had outweighed all the benefits. Basically, we are dumping on our descendants the problem of the burial of nuclear waste and of rendering harmless what has already been buried on the seabed and the ocean floor. But this, let us stress once again, is the lesser evil.

This is because the liquid nuclear waste that has been poured into the Sea of Japan had already overfilled the tanks of two naval ships specifically allocated for storage purposes. In the event of an accident to these ships, the leak of radioactive waste (namely some 1,700 cubic meters of beta-gamma-emitting radionuclides) into the environment could be disastrous right now. So the navy's actions were forced upon it in this specific case.

But in other cases too (in December 1992 Russia officially admitted the dumping of its radioactive waste and spent nuclear reactors on the seabed) the actions of both naval seamen and the seamen of the civilian nuclear-powered fleet were governed by a "sentence" that had already been passed. Peaceful coexistence between mankind and nuclear waste is inconceivable: If we do not bury it, it will "bury" us. But none of the Russian nuclear agencies has received or is receiving today the funds to provide a fitting "funeral" for the enemy.

Incidentally, people are not entirely right to think that the radioactive contamination of the seas is primarily due to the activities of the nuclear-powered navy. The ability of the USSR, and now Russia, to construct nuclear submarines has always outstripped the ability to service and refit them promptly, not to mention the scrapping of obsolescent submarines. Aside from the nuclear submarines that have been pensioned off, damaged nuclear-powered ships which cannot operate because of the radioactive contamination of compartments are also due for scrapping. Every year sees an increase in the number of decommissioned ships with, as a rule, two nuclear reactors. The reactor compartment has to be removed, cut out, like an appendix, from the hull of the nuclear submarine, mothballed, and buried in a specially equipped storage facility.

Alas, although at least the ships are being dismantled, the state has failed to provide for the requisite number of storage facilities. In particular, they were not there when the navy was faced with the first spent reactors. So the decision to "bury the traces" was made out of desperation, not out of a desire to harm those who came after. In fact, little was known at the time, particularly in the navy, about the future dangers.

So, as Russia stated at the International Atomic Energy Agency [IAEA] conference in Oslo in February 1993, 17 Soviet (for Soviet, now read Russian) nuclear reactors and containers of solid radioactive waste have now been dumped and thousands of cubic meters of liquid waste have been poured into the northern and eastern seas that wash Russia. This has not been done in a random way by the radiological services. But, having officially acknowledged the cited facts, Russia is now forced to assume responsibility for eliminating the possible consequences of this kind of activity.

Yes, but we were not the first to take this disastrous path for future generations. In the fifties it was common practice for the nuclear countries to dump radioactive waste in the sea. Japan, which is currently protesting Russia's pouring liquid radioactive waste into the sea, has dumped around 1,160 barrels of solid nuclear waste in the sea in its time. And, according to the data of numerous expeditions, including international ones, radioactive contamination in the Baltic and North Seas, which have become sewers for Britain and France, is four times greater, in terms of strontium-90 level, for example, than in the vicinity of "our" dumps. But this is not a statistic one should be proud of. And it is the navy's tragedy, not its fault, that it has no other way of solving

the problem and will have no other way in the future without a state program for reprocessing radioactive waste.

Nonetheless, the navy stopped dumping solid radioactive waste at sea in 1991, and the dumping of liquid radioactive waste in the Sea of Japan this October was an unavoidable step. But it has not made any safer the radioactive waste that is building up as the nuclear fleet ages. According to Western scientists' estimates, the Russian Navy will very soon face the problem of scrapping around 300 reactors from decommissioned nuclear submarines. Joshua Handler, coordinator of the international "For Nuclear-Free Seas," program named this figure in a letter to President Clinton. He proposes using U.S. Government credits to help tackle this problem, in exchange for profits from scrapping the nonradioactive parts of the nuclear submarine.

There is indeed a great deal of metal in the decommissioned nuclear submarines and surface ships waiting to be scrapped. But what is rusty "gold" in terms of the net scrapping cost turns out to be of rather inferior quality—many companies have burned their fingers in the expectation of big profits. A more radical way in the future of eliminating the problem of burying floating reactors could be a joint U.S.-Russian decision not to construct any new nuclear-powered ships, which is what Handler suggested to the President. But, in the first place, this cannot be done unless other states that have or are capable of building a nuclear submarine fleet subscribe to this agreement. Second, mankind has yet to come up with an effective substitute for nuclear fuel, and nuclear-powered ships are the ultimate when it comes to mastering the oceans of the world.

So we have to come to terms with the fact that nuclear energy is much more expensive than we claimed in the past and find the means to pay the "higher price." To be precise, a method of recycling the waste in a generally cheap and unlimited raw material which is capable of satisfying mankind's energy needs.

It can certainly be taken on trust that the cubic meters of liquid radioactive waste poured into the waters of the Sea of Japan currently do not pose a threat to people's lives or to the denizens of the deep. But there is scant consolation in the fact that scientists from 12 countries and representatives of the IAEA concluded in February that sufficient evidence of the dangerous impact of sources of radioactive contamination on the marine environment was lacking.

The scientific research ship "Viktor Buynitskiy" returned to Murmansk in early October. It had been supporting the work of the Russian-Norwegian expedition in the vicinity of the Novaya Zemlya trough and off the east coast of the Novaya Zemlya archipelago—where the containers of spent fuel from the reactor of the nuclear-powered ship "Lenin," its three reactors minus fuel, and a nuclear submarine which sank as a result of an accident in 1968 lie on the bed of the Kara Sea. In conversation with KRASNAYA ZVEZDA correspondent Vladimir Gundarov, expedition member Colonel of Medical Service Nikolay Kurganov, the Northern Fleet's chief toxicologist and radiologist, confirmed that the preliminary results of the investigation show that the level of radioactive contamination is regarded as low. There had been only a slight increase in cesium-137 background radiation in spots close to the site where the nuclear submarine reactor with its fuel intact had sunk. But (and this is a very grave warning!) in the sole radioactive waste dumping site in Stepovogo Bay the cesium-137 background radiation was found to have been exceeded by a factor of 10-12! Cobalt-60 was detected in the same place. And although on the basis of preliminary results it is too early to say what caused these man-made [tekhnogennyy] radionuclides to appear, it can be assumed that the explosive device that has been planted for future generations is "already ticking."

But this is just a small part of the burials by Russia alone, which include seven sites near Novaya Zemlya, five areas in the Barents Sea, and four each in the Sea of Japan and the Sea of Okhotsk. It takes an entire research fleet just to monitor them. But the money is primarily needed to ensure the safe reprocessing of the radioactive waste stored on dry land. And we should not place too much reliance on the West—it has enough waste of its own to contend with. The United States, for example, intends to increase the number of U.S. nuclear submarines on alert duty, which means that there will be more reactors and waste due for reprocessing.

At the same time, going back to the start of this discussion, it should be pointed out that the reprocessing of radioactive waste is not the sole responsibility of the navy. The broad view is that it is a problem that transcends national borders. But first Russia needs to clear up the radioactive dumps in its own backyard. Otherwise there will be no one living in the democratic, rule-of-law, etc. state we are building.

Military Said Ready For Further Dumping at Sea

PM0211093993 Moscow IZVESTIYA in Russian 2 Nov 93 First Edition p 2

[Natalya Ostrovskaya report: "Even After the Scandal the Military Are Ready To Pour Radioactive Waste at the Same Spot in the Sea of Japan"]

[Text] Vladivostok—Just as Russian Prime Minister Viktor Chernomyrdin was imposing a ban on the dumping of liquid radioactive waste by the Pacific Fleet in the Sea of Japan, Admiral Igor Kasatonov, first deputy commander in chief of the Russian Navy, was stating in Vladivostok that such "routine operations" will be continued. What is more they will continue in the same location, "area nine," which is 200 miles from Japan.

Igor Kasatonov is confident that Chernomyrdin's veto is a purely political move designed to please Japan. And

that the government will very soon give permission for another dumping of radioactive waste.

Meanwhile, in the town of Bolshoy Kamen, 500 km from Vladivostok, the tanker TNT-5 stands moored by the Zvezda plant filled with radioactive water (several thousand tonnes of it). The TNT-5 is so ramshackle that it cannot move and there is a real danger that it might sink of its own accord off the coast of the densely populated Ussuriysk Bay. True, some liquid radioactive waste was pumped from the TNT-5 to the more reliable TNT-27—the very tanker which dumped radioactive waste into the Sea of Japan under the watchful eye of Greenpeace, but scarcely had they begun than work was stopped.

At the same time the "routine operations" at the Zvezda plant and other bases of the Pacific Fleet were also suspended. This gave Yevgeniy Nazdratenko, head of the Maritime Kray Administration, grounds for stating that the present position with the storage of radioactive waste and the scrapping of nuclear submarines contains the threat of an ecological disaster on the scale of the entire Far East region.

In the words of Vladimir Yelnikov, chief of the Pacific Fleet's department for the repair and recharging [perezaryadka] of nuclear submarines, the nuclear reactors are equipped with all the necessary safety measures. And the possibility of technological violations by personnel is firmly precluded. However, that can hardly be said of that unseaworthy old tub, the TNT-5. And the TNT-27 does not put to sea under its own steam but has to be towed by a tug. As usual, the military is not allowing any independent inspections of their nuclear installations.

Japanese Hand Over Boat Stopped for Illegal Fishing

PM0111164793 Moscow KOMSOMOLSKAYA PRAVDA in Russian 30 Oct 93 p 1

[Unattributed report: "On a Return Visit"]

[Text] The Japanese coast guard has detained in Japanese territorial waters a vessel belonging to Russian entrepreneurs from the island of Shikotan (in the Kuril chain). Russian fishermen were trying to catch fish off the coast of Japan. The Japanese side did not take any measures or take the fishermen into custody. The offenders were handed over to Russian border guards.

Japan To Play Role in Khabarovsk Economic Construction

LD0111223793 Moscow Mayak Radio Network in Russian 2200 GMT 1 Nov 93

[Text] The development of the maritime port and airport in Sovetskaya Gavan, the reconstruction of the Khabarovsk airport, and the construction of a hotel and a freight terminal are the priority areas of cooperation envisaged by an agreement signed in Khabarovsk between the Amur region administration and the Japanese Association for Economic Cooperation with Khabarovsk Kray. Joint research to determine major projects for the development of the region's social infrastructure is also envisaged. The Amur region administration has committed itself to creating a favorable climate for foreign investment, by granting beneficial taxation measures and relief guarantees.

The Japanese association, according to the agreement, is organizing on a permanent basis the sale of various commodities to the region. Working together with the Amur region administration, the association will set up 20 joint enterprises for the production of consumer and industrial goods, and 10 enterprises in the services sphere.

In addition, joint prospecting for and the development of natural resources, including oil, gas, gold, and nonferrous metals is envisaged. It has been decided to seek, through joint efforts, to open in 1994 regular flights from Khabarovsk to Osaka and Khabarovsk to Aomori.

Japan Presents Alternative to Tumen River Project

OW0211063893 Vladivostok Radio Vladivostok Network in Russian 0815 GMT 21 Oct 93

[From the "Pacific Ocean" program]

[Text] Shinichi Kobayashi, deputy general director of Japan's development institute, made a sensational statement during his visit to Vladivostok. According to him, the Tumen River project that has caused such a stir was proposed by some UN specialists who failed to take Russian interests in the Asia Pacific region into account, and thus it has no future. He also said that Japan was willing to propose a more acceptable project which would turn Vladivostok into a pillar of Russian integration on the Pacific coast.

The first steps in this direction have already been taken. A group of leading experts of the Japanese association of engineering and consultation firms arrived in Vladivostok today at the initiative of Japan's Ministry of Foreign Trade, which has expressed its willingness to finance the necessary research. They held a series of meetings with representatives of Maritime Kray Administration officials, and they presented the main points of their project. Joint research by Japanese and Maritime Kray experts is envisioned in the program.

Mongolians To Study in Far East Maritime Academy

OW0211161293 Vladivostok Radiostantsiya Tikhiy Okean Maritime Network in Russian 0815 GMT 23 Oct 93

[From the "Pacific Ocean" Program]

[Text] The Far East State Maritime Academy has concluded a contract with the Ministry of Transport of Mongolia to educate and train Mongolian personnel for the country's commercial fleet. [Words indistinct] of Mongolia has decided to create its own maritime department and to use the educational capacity of Russia for this purpose. Twelve Mongolian youths will come to the Academy to become navigators and mechanical engineers.

Helsinki Watch Questions Role in Former USSR

LD0111170893 Moscow INTERFAX in English 1552 GMT 1 Nov 93

[From the "Diplomatic Panorama" feature]

[Text] The international human rights organization Helsinki Watch appreciates Russia's peace-making and humanitarian efforts in the critical areas of the former USSR, but it is deeply concerned over the fact that "Russia considerably overstepped the limits of its goodwill mission in Georgia, Moldova, Azerbaijan, North Ossetia and Tajikistan." This is stated in a letter addressed to President Boris Yeltsin that Helsinki Watch intends to release in Moscow on Tuesday [2 November]. Copies of the letter will be forwarded to the U.S. President Bill Clinton, to Russia's Foreign Minister Andrey Kozyrev, to Russia's Defence Minister Pavel Grachev, and to the latter's American counterpart, Les Aspin.

According to Helsinki Watch experts, although Russia is neither an initiator of nor the party committing the greatest violations of international humanitarian law, in a number of cases there have been direct abuses of the laws of warfare as a result of a lack of discipline in the Russian armed forces deployed in the former Soviet republics.

The letter cites, as examples, the service of mercenaries from Russia in paramilitary units in Abkhazia. According to the letter, this involved the use of money laundered through the Republic of Transdniestria in Moldova. The letter maintains that Abkhazian units could hardly have gained military superiority over Georgian troops without Russian assistance.

Helsinki Watch experts cite violations of the laws of warfare by Russia in the eastern part of Moldova. The Russian government's responsibility for expanding the scope of human rights abuses was reflected with particular clarity there, they said. The transfer of arms to the parties committing such abuses contributed to it, the document says. It is quite obvious that Russian forces strengthened their positions in Moldova and supported the separatist authorities.

According to Helsinki Watch experts, Russia's military command was involved to some extent in aggressive actions committed by Russian troops against civilians in Tajikistan and Afghanistan. Last July Russian and Tajik troops launched a massive strike on Afghanistan, a result of which hundreds of civilians were killed, wounded or forced to leave their homes, the letter says.

According to it, the Russian authorities took virtually no measures to stop the extremely profitable practice of selling arms by Russian servicemen.

There are no doubts, the letter says, that Russian forces were involved in the above mentioned conflicts to varying extents; it only remains unclear on what level the orders were given.

In their letter Helsinki Watch representatives urge the Russian authorities to take steps without delay with a view to reducing the scope of gross human rights abuses by the military, punish those who are guilty, and publish the concept of Russian strategic interests in the former Soviet republics.

Kozyrev Aide Reacts

LD0111171793 Moscow INTERFAX in English 1552 GMT 1 Nov 93

[From the "Diplomatic Panorama" feature]

[Text] Russia can accept some Helsinki Watch conclusions, but not all, said the political adviser to Foreign Minister Andrey Kozyrev, Galina Sidorova, after Kozyrev's meeting with the Helsinki Watch delegation.

According to her, the stand taken by Helsinki Watch reflects fears expressed by some Western political circles that Russia pursues an imperial policy toward former Soviet republics. "Russia, which is compelled to assume the role of peace-maker and mediator in conflicts in the former Soviet republics, has been accused of all mortal sins," Sidorova said.

According to her, Russia indeed has its own interests in the space of the former USSR, but it is engaged in settling the conflicts emerging there single-handed not because it likes this, but because the UN, the CSCE and other international organizations take no part in this and give us no aid.

As Sidorova said, the Russian military "shouldered the burden which must be borne by the world community." "Russia is prepared to bear its burden of responsibility, but the UN and the CSCE must also bear their share," she said.

According to her, "Russia invites the UN and the CSCE to take part in peace-keeping operations in former Soviet republics all the time, but, unfortunately, its invitations are turned down each time on different pretexts."

If Helsinki Watch has apprehensions with regard to Russia's role and participation in peace-keeping operations,it would not be bad for it to raise this issue at the UN and at the CSCE. We would only be grateful," Sidorova said.

The Helsinki Watch delegation promised to do so, she said.

As the chairman of Helsinki Watch, Jonathan Fanton, told INTERFAX, his delegation discussed the human rights situation in Estonia and Latvia with Kozyrev, and gave him its conclusions on this score. "As for Estonia, progress has been noted there in the area of granting citizenship to the non-indigenous population. In Latvia the situation is different. The draft bill on citizenship prepared there envisages discriminatory quotas which limit the opportunities to receive citizenship for Russian speakers," he said.

"We hope that the conclusions and recommendations of Helsinki Watch will be of help to Russia in its dialogue with the Baltic countries," Sidorova said.

Presidential Council Member on Policy in Conflict Zones

LD3110185293 Moscow Mayak Radio Network in Russian 0200 GMT 31 Oct 93

[Text] Russia's policies in the republics of the former Soviet Union in general and in conflict zones in particular have been criticized by just about everyone. According to one point of view, the lack of a state policy is to blame for everything. We have for you a conversation between our commentator Lidiya Podolnaya and Emil Payin, a member of the Presidential Council and director of the Center for Ethno-Political Research.

[Begin recording] [Payin] Our group for Presidential Council state policy is working on forming the foundation of a plan for state policy in conflict zones. Which principles would I highlight? First and foremost, the principle of our approach to some controversial issues. The fact is that many who hold power have a notion of the need to be oriented toward supporting the so-called stable regimes, stable regardless of the basis on which this stability has been reached, on authoritarianism, let's say, or on dictatorship, or on other things. Therefore we are proceeding from the need to support democratic regimes as one of the conditions of stability. I will mention yet another principle. It is the great number of sources or centers of power that adopt decisions in one and the same state. However, it is not simply a question of confrontation between the former Supreme Soviet and the executive power—there are a great number of these centers within the executive power.

[Podolnaya] The Ministry of Foreign Affairs, the Ministry of Defense...

[Payin, interrupting] That's right. And the Security Council. The president's staff. Many must indeed deal with this because it is an all-embracing issue. The task involves developing the coordination between them and getting them to act by proceeding from a certain common state doctrine. A situation where one minister says one thing and another something else an hour later is inadmissible. This is what happened with regard to the Abkhaz conflict, for example. By the way, there is ostensibly a special institution which would be able to bring into line the various points of view. It is the Security Council. But this council was until recently some sort of incomprehensible superstructure or yet another ministry among many others. Our group for ethnic policy was instructed to develop such a plan—and we have made proposals that this council should be the place where a common policy is drawn up.

[Podolnaya] Now that you've mentioned the Security Council—it's well known that it is preparing Russia's new military doctrine for approval.

[Payin] It is the Ministry of Defense which is preparing that. It will be approved by the Security Council and this means that the traditional practice of drawing up decisions is being repeated. I am precisely against any one department preparing a decision. The Security Council and its analytical, structural subdivisions ought to use material from different departments and then draw up a coordinated decision. Since it is a military department, I have absolutely nothing to do with it and I am totally unfamiliar with the new military doctrine.

[Podolnaya] Even though it is precisely in the doctrine that some definite provisions dealing with the action of the Armed Forces in situations where armed conflicts arise in CIS member states ought to be enshrined?

[Payin] Probably there ought to be...

[Podolnaya, interrupting] As a member of the Presidential Council you know nothing of this?

[Payin] No, I don't. I can say something else: I know so far of numerous decisions—purely military decisions—in the conflict zones which clearly contradict political interests.

[Podolnaya] Do they have anything to do with the recent events in Georgia, for example?

[Payin] They concern the recent events in Georgia and the events in Tajikistan. I have never concealed my critical views on this issue and I imagine that many decisions are simply not professional in nature—not from the point of view of my not understanding military affairs—military specialists must indeed decide this—but not professional from the point of view of the possibility, let's say, of putting down a confrontation by force, from the point of view of the religious and ethnic make-up of specific territories into which particular contingents are being brought, and the way in which these military forces behave in a particular territory, what they can afford without comparatively great losses is different from one place to another. There are different psychological and cultural environments where one has to act in a different fashion. All of this will naturally not be in the military doctrine. One can simply say beforehand that this will not be included there. [end recording]

Yeltsin Changes Composition of Group for Talks

LD3010124193 Moscow ITAR-TASS World Service in Russian 1150 GMT 30 Oct 93

[Text] Moscow, 30 Oct (ITAR-TASS)—Russian Federation President Boris Yeltsin has decreed a partial change in the composition of Russian Federation delegations for talks with the Estonian Republic, the Republic of Kazakhstan, the Republic of Uzbekistan, and Turkmenistan. In accordance with the document, signed last Friday [29 October], Colonel General Valeriy Mironov, deputy defense minister of the Russian Federation, is included in the Russian Federation state delegation for talks with Estonia (replacing F. Gromov);

Colonel General Vladimir Toporov, deputy defense minister of the Russian Federation, is included in the delegation for talks with Kazakhstan (replacing G. Kondratyev);

Colonel General Viktor Kot, first deputy commander in chief of the Russian Federation armed forces, is included in the delegation for talks with Uzbekistan (replacing A. Sokolov);

Colonel General Viktor Miruk, first deputy commander in chief of the air defense troops of the Russian Federation armed forces, is included in the delegation for talks with Turkmenistan (replacing V. Zhurbenko).

Foreign Ministry on Lithuanian Visa Regulations

MK2910122093 Moscow NEZAVISIMAYA GAZETA in Russian 29 Oct 93 p 3

[Letter to NEZAVISIMAYA GAZETA by the Russian Federation Foreign Ministry's Information Department: "The Real Consequences of the Visa Regime Introduced by Lithuania"]

[Text] The Information Department of the Russian Federation Ministry of Foreign Affairs has taken note of the article by T. Nikolayeva published in your paper on 22 October about the introduction by Lithuania of a visa regime for citizens of Russia and the other CIS countries as of 1 November. The author regards this as yet another failure on the part of "Moscow's diplomacy in the neighboring states."

In this context we would like to explain the real state of things in this matter. Lithuania indeed has decided to force the introduction of a visa regime for the entry of Russian citizens. Its imposition is provided for under the Treaty "On the Foundations of Interstate Relations between the Lithuanian Republic and Russia" of 29 June 1991. In particular Article 6 of this document recognizes the right of each of its signatories to adopt its own immigration legislation and pursue an independent immigration policy.

In September of this year the Lithuanian side evaded a discussion of a draft agreement on a visa-free regime for reciprocal trips by citizens of the two countries which was proposed to it.

For its part the relevant Russian bodies undertook a number of steps to minimize the effects of these measures for the citizens of our country, primarily the residents of Kaliningrad Oblast.

To this end interim procedures have been coordinated which provide for visa-less trips:

—to Russia, with respect to Russian citizens permanently residing in Lithuania;

—to Lithuania and via Lithuania for citizens of Kaliningrad Oblast;

—by through trains via Lithuania to Kaliningrad Oblast and back;

—to Lithuania with respect to crews of sea, river, and air craft and trains.

In addition, before 1 September 1994 invitations certified by the Lithuanian authorities will be equated with a visa.

The Russian Ministry of Foreign Affairs believes that this procedure will be approved by both countries and that in the future conditions for mutual trips will be simplified further.

In a word, work on these questions continues and we hope that conditions for entry and exit will be achieved which will fully satisfy the citizens of both states. Such is the essence of the question.

Lithuania Urged To Lift Obstacles

LD0211160093 Moscow ITAR-TASS World Service in Russian 1420 GMT 2 Nov 93

[By ITAR-TASS diplomatic correspondents Boris Krivoshev and Vladimir Suprun]

[Text] Moscow, 2 Nov—The Russian side expects the Lithuania authorities to revoke the measures which are hampering transit freight traffic between Kaliningrad Oblast and other parts of Russia and exacerbating Russian-Lithuanian relations. "This would obviate the need for the Russian side to take appropriate steps aimed at protecting its own economic interests," Mikhail Demurin, deputy director of the Department of Information and the Press of the Russian Ministry of Foreign Affairs, said at a briefing held today in connection with the note on this matter sent by the Russian Foreign Ministry to the Lithuanian Embassy in Moscow on 1 November.

He reiterated that until now customs and fiscal restrictions on the transit of Russian freight into Kaliningrad Oblast introduced by Lithuania have been in operation. The spokesman of the Russian Foreign Ministry stressed

that the wide variety of duties being levied on transit traffic by the Lithuanian authorities is causing considerable damage to the economy of Kaliningrad Oblast and is having a negative effect on the interests of its residents.

Deadlock at Baltic Withdrawal Talks Explained

LD2710152593 Moscow Radio Rossii Network in Russian 0436 GMT 27 Oct 93

[From the "Radio Slavyanka" program of the Russian Defense Ministry]

[Text] Russia is continuing its negotiations with Latvia and Estonia on the withdrawal of its forces. Although diplomats are painting a rosy picture, the talks on military questions are, basically, deadlocked. What is the stumbling block? Our correspondent Ivan Rudich put this question to Colonel Gennadiy Vorobyev, an officer of the Russian Defense Ministry's Directorate for the Administration of Military Cooperation Programs:

[Begin recording] [Vorobyev] The toughest questions at the talks concern the timetable and arrangements for withdrawal of Russian troops, the leasing of certain strategic installations in the Baltic area, and guarantees for Russia's security. Other difficult questions are welfare provisions for servicemen, military pensioners, and members of their families. As far as the timetable is concerned, the Latvian and Estonian sides are insisting on a complete withdrawal of Russian forces by 31 December 1993.

[Rudich] Such a deadline is unrealistic?

[Vorobyev] Of course. The troops who are being withdrawn have to be resettled. Officers, warrant officers, and members of their families have to be provided with accommodation inside Russia. This takes time.

Let us turn to the strategic installations in the Baltic area, which Russia wants to lease in order to safeguard its own security. There are three of these installations in Latvia and one in Estonia. This problem can been completely resolved by signing a mutually beneficial treaty. However, Latvia and Estonia do not want to resolve the matter this way. They do not agree with the way we approach this question.

At the talks, the Russian side is steadfastly insisting that servicemen and military pensioners should have the same rights as citizens of Baltic states to hold and use real estate and other property that lawfully belongs to them. Servicemen and pensioners leaving Latvia and Estonia should be entitled to receive adequate compensation, at the market rate, for housing that they are having to leave behind. However, the Latvian and Estonian sides regard all this real estate as their own property and do not agree with our approach.

So far, one agreement has been signed with Estonia and nine with Latvia in the course of negotiations on military issues. However, these agreements do not resolve all these problems. [end recording]

Border Guards in Tajikistan, North Caucasus Go AWOL

PM0111121993 Moscow IZVESTIYA in Russian 28 Oct 93 First Edition p 1

[POSTFACTUM report: "Border Troops Concerned at Desertion Problem"]

[Text] Lieutenant General Aleksandr Tymko, chief of staff of the Russian Border Troops, has stated in an interview that out of a total of just over 150,000 Russian Border Troops, about 4,400 servicemen have gone AWOL since the beginning of this year, and of these more than 2,500 are being sought at the present time. Over half these servicemen (more than 2,500) left their units while stationed on the Afghan-Tajik border and in the North Caucasus Military District, even though they themselves volunteered to serve in these regions.

Commentary Views Iranian President's Central Asian Visit

NC0111074093 Moscow Radio Moscow in Persian 1600 GMT 31 Oct 93

[Unattributed commentary]

[Text] The visit by President 'Ali Akbar Hashemi-Rafsanjani of the Islamic Iran to the Central Asian republics in the former Soviet Union showed that nothing can exist in vacuum. Russia has forgotten, to some extent, those countries that have officially achieved independence but are not economically ready for this independence. Because of its domestic problems, this country that has replaced the Soviet Union was forced to decrease its activities in this region.

Moreover, the leaders of Tashkent, Bishkek, Ashgabat, and Almaty have apparently and correctly reached the conclusion that they should not expect great assistance from Moscow and have turned their attention to their close neighbors, especially now that Iran and Turkey claim regional leadership roles because of their proximity—in which case the genuine possibility for choice exists and one can receive more than one expects.

By assessing the outcome of the Iranian president's visit, one can say that a broad range of documents have been signed and many promises have been made. And all of them have had their relative impact on the leaders of Uzbekistan, Kyrgyzstan, Turkmenistan, and Kazakhstan.

Uzbek President Islam Karimov pointed out that this first visit by the Iranian president opens a new page in the book of mutual relations, adding that bilateral relations were severed at a specific point and that traditional ties should be revived now and the existing friendship transferred to the coming generations.

In his meeting with Kyrgyz President Askar Akayev in Bishkek, President Hashemi-Rafsanjani said that Tehran is following the progress that is being made by the newly formed independent country of Kyrgyzstan with satisfaction and expressed hopes that relations with this Islamic country will continue to develop.

In Ashgabat, the Iranian president and Turkmen President Saparmurad Niyazov signed a series of important documents, including a memorandum of understanding on the construction of the Western Turkmenistan-Iran-Europe gas pipeline.

In Kazakhstan, Hashemi-Rafsanjani—understanding Almaty's role in Central Asia—expressed support for the initiatives by Nursultan Nazarbayev in preparing for a conference on establishing trust in Asia, pointing out that Iran intends to have very close regional ties with Kazakhstan.

However, the situation differs as far as the Iranian president's visit to Baku was concerned. As we know, the People's Front of Azerbaijan and Abulfaz Elchibey had made many attempts to mar relations with their southern neighbor. Thus, the most important issue for Hashemi-Rafsanjani was how to end the era of coldness in bilateral relations, especially when the change of rule in Baku and the election of Geydar Aliyev as president created a good atmosphere for doing so. Aliyev has repeatedly spoken in favor of expanding relations with Iran. Also, the fact that the visit by the high-ranking Iranian guest coincided with a new advance by Karabakh's armed groups and the fact that they approached the Iranian-Azerbaijani border in some areas granted this visit special significance.

The memorandum of understanding on the principles of friendship and cooperation between the Republic of Azerbaijan and Iran, which was signed at the end of the talks in Baku, complements 14 other documents that were signed and forms a firm basis for mutually beneficial cooperation in various fields. The climax of Hashemi-Rafsanjani's visit was his successful mediation to establish a cease-fire on the Azerbaijani-Armenian front.

Aims Not 'Ideological'

PM0211105193 Moscow IZVESTIYA in Russian 29 Oct 93 First Edition p 3

[Konstantin Eggert report: "Iran Proposes To Export Construction Workers, Not Revolution"]

[Text] Fears concerning the spread of Iranian influence in Central Asia and the Transcaucasus have clearly been exaggerated—Tehran will simply not have the resources to carry out active expansion. This has been graphically confirmed by the long regional tour made by 'Ali Akbar Hashemi-Rafsanjani, president of the Islamic Republic of Iran, which ended this week with a visit to Baku.

Relations with Azerbaijan since pro-Turkish, anti-Iranian President Ebulfez Elcibey came to power leave much to be desired. But ties with this state are a priority for Tehran: There are around 20 million Azeris living in Iran—five times more than in Azerbaijan itself.

The meeting with Geydar Aliyev merely confirmed a well-known fact: Unlike his predecessor, Baku's new leader is ready and able to find mutual understanding with Iran and to develop some forms of cooperation. Tehran expects no more from this Moscow placeman.

Hashemi-Rafsanjani delivered a statement in the Azerbaijani capital in which he yet again threatened the "Armenian aggressors" on behalf of the Muslim world. I think everyone, including Aliyev, realizes that it was a simple courtesy to his hosts. On the southern borders of the former USSR the Kalashnikov assault rifles carried by Russian soldiers are still a decisive factor in geopolitics.

Hashemi-Rafsanjani's tour was planned well in advance and was essentially a series of reciprocal visits because, like Aliyev, the leaders of all former USSR Central Asian republics except Tajikistan have already visited the Iranian capital.

Dushanbe was not on the itinerary. The reason is entirely understandable: Iran supported the Islamic opposition during last year's power struggle, and now the Iranians are financing certain Tajik groupings based in Afghanistan. However, Hashemi-Rafsanjani delivered a statement in completely neutral Almaty that his country will attempt to mediate between Imamali Rakhmonov's regime and the oppositionists. As the first step the Iranian president invited the Tajik foreign minister to Tehran.

It is hard to say how effective this mediation will be. Iran clearly lacks Dushanbe's trust. Besides, as a Russian diplomat observed, "any attempt at a settlement will be successful only provided that all interested parties participate." In other words, Russia will not allow any major action to be taken without it.

Trade and economic problems dominated all the talks. The Iranians are pinning great hopes on the export of Kazakhstan and Turkmen oil as well as gas across their territory, banking on considerable financial earnings from this transit taffic. The economic crisis is prompting Tehran to seek tangible benefits, pushing ideological and political expansion into the background.

Syrian Stance Seen as Jeopardizing Peace Process

PM0111160193 Moscow KRASNAYA ZVEZDA in Russian 30 Oct 93 p 2

[Ravil Mustafin article: "Syrian Delegation May Not Attend"]

[Text] After the undoubted progress which was achieved six weeks ago by the signing of the Palestinian-Israeli agreement known as the "Gaza-Jericho First" plan, the Near East peace process has begun to falter in what is the

most difficult area today—involving Syria and Israel. In view of Damascus' absolute tutelage over Beirut, it may be claimed with complete justification that the Lebanese-Israeli aspect is also blocked now. Furthermore, recently there have been worrying and alarming signs of a growing threat to the Near East peace process itself.

This week Syrian officials launched into fierce criticism of Israel, a familiar target as far as they are concerned. Syrian Foreign Minister Faruq al-Shar' accused Tel Aviv of trying to replace the real and just solution of the region's problems with partial, separatist deals—contrary, according to him, to the Madrid formula to which Damascus strictly adheres. The reason behind this, the head of the Syrian foreign policy department went on, is a wish to turn Israel into a regional superpower and the Arab countries into Israel's satellites.

There was also criticism of the pro-'Arafat Palestinians, condemned for the 13 September agreement, which "opened a door into the unknown" and wrecked the "united Arab front." Furthermore, the Syrians also warned Jordan about the danger of "falling into Israel's trap." Thus it may be claimed that not only have Israel's Arab neighbors fallen out with one another but serious contradictions have emerged on the main questions of a Near East settlement.

There is no less anxiety over Syria's possible rejection of the invitation from Russia and the United States, cochairing the peace process, to take part in the coming 12th round of bilateral Arab-Israeli talks unless Tel Aviv declares its commitment to Resolutions 242 and 338 and agrees to withdraw its troops from the Golan Heights.

Reciprocal MFN Status Established With South Africa

PM0111152593 Moscow IZVESTIYA in Russian 29 Oct 93 First Edition p 3

[Boris Pilyatskin report under "From Our Correspondents and News Agencies" rubric: "Russia Now Has Most-Favored-Nation Status in Trade With Republic of South Africa"]

[Text] The first agreement on trade and economic cooperation in the history of Russia and the Republic of South Africa has been signed in Pretoria. The sides are to receive reciprocal most-favored-nation status in trade.

According to Ministry of Foreign Economic Relations data, last year the trade turnover between the two countries totaled $800,000 [as published]. The Republic of South Africa buys furs and some types of industrial equipment from Russia, while we import food, footwear, clothing, and wine from South Africa.

Political Issues

Council of Ministers Meeting Set for 2 Nov

LD2910180693 Moscow ITAR-TASS World Service in Russian 1156 GMT 29 Oct 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow, 29 Oct—An enlarged session of the Council of Ministers of the Russian Federation will be held in the Kremlin on 2 November. It will examine the socioeconomic situation in the Russian Federation and measures to implement the first stage of the government's 1993-95 program for "development of reform and stabilization of the Russian economy." Journalists were told this today by Vladimir Kvasov, chief of staff at the Russian Federation Council of Ministers.

The session will be attended by members of the government, heads of central bodies of federal executive power, heads of executive authorities in the component parts of the Russian Federation, and representatives of trade union organizations, employers' associations, and banks.

According to Vladimir Kvasov, the session is intended to "analyze the socioeconomic situation of the country and its industries and regions in accordance with the results of work over the last nine months." In this connection, he went on to say, special attention will be paid to financial stabilization and measures to provide social support for the population, implementation of the State Privatization Program, support for small-scale enterprise, development of the market infrastructure, improvement of industrial structure, the progress of agrarian reform, improvement of economic interaction between the center and the regions, and development of cooperation with CIS countries and other foreign countries.

Vladimir Kvasov also stated that in line with the outcome of the discussion a Council of Ministers resolution will be adopted providing for measures to create the necessary conditions to accelerate economic reforms, reduce tension in the social sphere, tackle the tasks set for the current year and make an organized start to work in 1994. It is planned to discuss and adopt the Council of Ministers' Plan of Action for 1993-94 to implement the first stage of the governmental program on "the development of reforms and stabilization of the Russian economy," which was adopted at the previous expanded session of the Russian Federation Council of Ministers in August.

As an ITAR-TASS correspondent learned from informed sources in the government neither a government plan nor a draft decree are completely ready today. Addenda are still being introduced. It is expected that Council of Ministers Chairman Viktor Chernomyrdin will give an analysis not only of the economic situation in the country but also of the political situation that has arisen in Russia since 21 September.

The draft resolution will contain, the sources report, evaluations of the state of affairs in Russia and specific instructions to ministries and departments on the resolution of vital problems. In particular, the Finance Ministry will be instructed to define control figures for macroeconomic indicators in 1994, and the Finance Ministry [as received] will be instructed to define financial indicators for the development of the economy next year. The draft will also contain instructions on improving the tax system, increasing control over the use of central credit resources and their return, and on compiling a list of enterprises which in 1994-95 will work in conditions of direct state control. The point on the work of the government system contains an instruction to the government to prepare by mid-December proposals on improving the system of federal bodies of executive authority, that is how to reorganize the government after the elections.

It is expected that Boris Yeltsin will take part in the Council of Ministers session and will make an opening speech.

Session Begins; Yeltsin Present

LD0211075193 Moscow ITAR-TASS World Service in Russian 0724 GMT 2 Nov 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow, 2 Nov—The socioeconomic situation in Russia and ways to improve it are being discussed today at an extended session of the Council of Ministers of the Russian Federation. The session began at 1000 hours in the Kremlin. Russian Federation President Boris Yeltsin is participating.

Leaders of central bodies of federal executive power, leaders of executive power of the Russian Federation's constituent members, and representatives of trade union organizations and associations of entrepreneurs and banks have been invited to the discussion.

Council of Ministers Chairman Viktor Chernomyrdin will give a keynote report and will submit measures for implementing the first stage of the government's program for 1993-1995—"The Development of Reforms and Stabilization of the Russian Economy."

At the end of the discussion, it is expected that a resolution of the Council of Ministers will be adopted, which envisages establishing the necessary conditions for speeding up the economic reforms and reducing tension in the social sphere.

Yeltsin Addresses Session

LD0211093193 Moscow ITAR-TASS in English 0910 GMT 2 Nov 93

[By ITAR-TASS correspondent Gennadiy Talalayev]

[Text] Moscow November 2 TASS—Russia has had a principally new political situation for a month, Russian

President Boris Yeltsin said at an extended meeting of the Council of Ministers of the Russian Federation in the Kremlin on Tuesday morning [2 November].

The period of dual power is over, he stressed, and all life-support systems of the country are functioning normally. The very dangerous process of undermining the Russian state has been stopped and the spread of its poison to the provinces of the federation has been cut. A breakup of Russia has been averted by joint efforts.

People have seen for themselves the danger of the so-called revolutionary romanticism, the logic of violence and bloodshed. The most important task now is to evaluate and make maximum use of the new opportunities offered the country. The October events opened up new prospects for conducting economic changes. A powerful stimulus has been injected into constitutional reform, stimulating deep transformations in the Russian state system, Yeltsin said.

Along with this, the president noted that the present situation's potential is not only positive. It is capable of generating negative tendencies as well and creating new dangers for Russia. Our duty is to avert them. We are fully aware of the toughness of the measures we had to resort to, he said. But we were forced to take these measures in order to save democracy. We had to stop the destructive activity of the Supreme Soviet and congress and accelerate reform of the representative bodies of state authority in the regions. Otherwise, the political gangrene of former Soviet power would have spread across the country and society. We had to resort to a number of restrictions and direct bans during the state of emergency in Moscow. These tough measures were understood and supported by the mass of the people in Russia.

Russian President Boris Yeltsin today addressed the Russian Government and representatives of the regions in the Kremlin. He said control over the activity of the executive bodies of power need tightening: "It has been slackened to a critical point and constitutional control is virtually non-existent," Yeltsin said.

"I am worried by the fact that against this disturbing background, some officials have acquired a taste for the state of emergency. I sometimes get draft decrees and other documents which are at glaring variance with legislation and push authorities to act arbitrarily. This practice will never be supported by the president," Yeltsin said.

He expressed surprise at the recent attempts to call into question the very principle of the separation of powers. He called these attempts "a serious political error." "We have just gone through a tragedy caused by the distortion of this principle by contradictions in the Constitution still in effect. Any prolongation of this situation is inadmissible," Yeltsin stressed.

"All institutions of a democratic state, which are idle or weakened today, must be restored in a new quality—at the federal level in December 1993 and at the local government level during the first half of 1994," the president said.

Yeltsin confirmed that a referendum on the draft new constitution would be held on December 12, 1993.

Russian President Boris Yeltsin today addressed the Russian Government and representatives of the regions in the Kremlin. He rejected statements that the country had no opposition. "The election campaign is proof of the opposite—the spectrum of political positions is unusually and unexpectedly wide," he said. According to Yeltsin, nothing of this kind has been seen since the elections to the Constitutional Assembly in 1917, he said.

The October events brought to light another danger—political terrorism. "It must be admitted that we underestimated this danger and showed unforgivable complacency. Organisations which were relying on armed struggle were functioning virtually in the open, militants were being practically legally trained and calls for violent actions against the state went unpunished. We now need emergency measures, political, legal and organizational to curb political terror. This is our duty to the citizens of Russia, Yeltsin said.

The president then noted that a month has elapsed since the armed rebellion in Moscow but society is still waiting for replies to some important questions about those events. "These questions must be answered without hesitation, and we must look for these answers all together," Yeltsin said.

The president welcomed the activity of the mass media and the investigations being conducted by journalists. But the main role in this must be played by law-enforcement agencies, he said.

"The farce of the investigation into the August (1991) putsch begun by the State Committee for the State of Emergency must not be permitted to repeat itself. All circumstances surrounding this year's rebellion must be investigated thoroughly. All those who were guilty of bloodshed will be prosecuted to the full extent of the law.

Chernomyrdin Addresses Session

LD0211123493 Moscow ITAR-TASS World Service in Russian 1057 GMT 2 Nov 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Excerpts] Moscow, 2 Nov—The president and the government are united in their strategic goals and objectives. Russia has a clear perspective of development, Russian Prime Minister Viktor Chernomyrdin said in his report to the expanded sitting of the Council of Ministers today. Firm political resolve of the country's leadership is becoming an effective factor in stabilizing the situation in society, he emphasized. [passage omitted]

For the first time, positive changes have emerged in the area of foreign economic ties. The surplus in the balance of payments is expected to exceed $20 billion by the end of the year. [passage omitted]

Chernomyrdin expressed his strong conviction that the time for shock therapy is over, we cannot afford to make any impulsive moves. The scope for maneuver is extremely narrow. Only hard, systematic, and consistent work on all aspects of reform in the economy can bring really tangible results. In his view, a solution of political and state problems becomes a necessary condition and a prerequisite for the emergence of a new economy.

Problems relating to the development of Russia as a federal state are coming to the forefront. We will be strictly observing the constitutional principle of equal rights of the Federation's component parts and respect their sovereign rights, including their rights in the socio-economic sphere, he noted. The strengthening of economic federalism is one of the main problems facing Russia.

Issues of a wide range of vital interests of society and the state are reflected in a military doctrine that is awaiting presidential approval, Chernomyrdin said. The Russian state must have adequate armed forces. This is our common state task. He named Russia's wide-scale integration into the world economy as a strategic aim of foreign economic policy. As for relations with the countries of the former USSR, a particular role here is to be played by a treaty on setting up an economic union, the prime minister noted. The essence of our position is responsible pragmatism. Fundamental improvement in relations with the CIS countries is first and foremost necessary for the Russian economy.

During the discussion, leaders of the republics within Russia and heads of administrations spoke for continuing reforms with the minimum expense, for restructuring the economy, and supporting the internal commodity producers.

Chernomyrdin on Market Economy

LD0211133393 Moscow ITAR-TASS in English 1203 GMT 2 Nov 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow November 2 TASS—Russian Prime Minister Viktor Chernomyrdin voiced optimism about the future of the Russian economy despite a continuing economic slump and said the "new market economy outline becomes a reality in Russia".

Addressing a major government meeting on Tuesday, the prime minister stressed that "the president and the government are united in their programme tasks and objectives. Russia has a clear perspective of development", he said adding that "the resolute political will of the leadership is an efficient stabilising factor".

The premier, however, assessed the current economic situation as an "unstable balance", but added that the time of the "shock therapy" had passed. The Gross Domestic Product in the first three quarters of the year was 11 per cent lower than in the same period of 1992, the industrial production dropped by 16.5 per cent and capital investments—by 7 per cent, according to Chernomyrdin, who added that negative tendencies remained in the financial sphere as well. (two last figures differed in the official report of the Russian Government and comprised 17.1 and 10 per cent correspondingly).

The prime minister said that the industrial slump rate decreased in agriculture. Grain crops may amount to 102-103 million tonnes this year while meat production is to equal 90 per cent of the 1992 figure.

First encouraging results were registered in foreign trade and the positive payment balance is expected to exceed 20 billion dollars this year, he stressed.

Chernomyrdin warned against "excessive drammatization of the situation. No collapse of the economy has taken place. The Russian economy gets a clear market shape", he said.

Financial stability will be the main concern of the government in 1994 and Chernomyrdin announced plans to carry out a budget reform which will split the national budget into the federal and regional ones thus marking a "transition from the unitarian to a federal budget system".

The prime minister also pledged to curtail monthly inflation to 15-17 per cent by the end of the year, to 10 per cent by the end of the first quarter of 1994 and to five per cent by the end of 1994.

The government report said price hikes lagged behind the growing nominal incomes of the population which went up in the first three quarters of the year by 11 times while consumer prices increased by 9.6 times.

The government rejected demands to introduce state fixed prices in order to curtail inflation and said in its report that "such a measure cannot curb inflation by itself".

Chernomyrdin said that the time of the "shock therapy" methods in reforming the economy has passed and the government "has no possibilities for sharp movements". "The field of manoeuvring is very narrow", he stressed and added the necessary results can be achieved by gradual, systematic and consequent efforts.

Economic reform cannot succeed without the solution of the political ans state problems, according to the premier who explained that the strengthening of economic federalism in Russia is one of the major tasks.

"We shall strictly abide by the constitutional principle of equality of the subjects of the federation, respect their sovereign rights", he said.

The premier said that the strategic aim of Russian foreign economic activity is to integrate the country into the world economy. He also urged a radical improvement in economic relations with the CIS saying this is important, first and foremost, for the Russian economy.

Yeltsin Urges Increased Effort in Reform Process

LD0211131193 Moscow ITAR-TASS in English 1201 GMT 2 Nov 93

[By ITAR-TASS correspondent Gennadiy Talalayev]

[Text] Moscow November 2 TASS—Russian President Boris Yeltsin addressed the Russian Government and representatives of the regions in the Kremlin today and called for efforts "to reach the optimal rate and scale of transformations" in the country.

"It must be honestly admitted that reforms are proceeding at a slack pace, without the necessary dynamism," Yeltsin said. "Hesitations continue and contradictory decisions are still being made," he charged. All this exerts a negative influence on the economy and—more importantly—on Russian people's everyday life, Yeltsin said.

The time when we had to simply hold on to the course of reforms is over. Now we must steadily and consistently pursue the policy of deepening market reforms" he said.

The president said one of the central questions is improving state control over the economy, adding that he did not mean a return to command management, but was calling for state regulation of the market on the basis of a clear understanding of producer and consumer interests.

Touching on last week's decree "on regulating land relations and developing agrarian reform in Russia," the president called on the government to work out as soon as possible an effective mechanism of implementing the decree. "Every citizen of Russia must be fully aware of the opportunity to purchase land in order to work on it, managing it, receive money by renting, and pass it along to one's heirs," Yeltsin said.

Social insurance was stressed by the president. One of the serious lessons to be had from the recent events is that "we did not pay sufficient attention to social problems."

On October third "not only bandits and political gamblers took to the streets. There were other people among the protesters who had lost hope and despaired. You and I are partly to blame for this," the president told the gathering.

The government has practically put up with the situation where millions of people did not receive a salary, a pension, or an allowance in months. Many employees in the budget sector found themselves in an impasse, the president said.

A package of documents relating to the social sphere is now being drafted, including documents on minimal social guarantees and allowances for people in the low-income bracket, Yeltsin said. He pointed to the need to engineer "a breakthrough in such a dead-end industry such as housing construction."

Another "weakness" of the federal executive is its regional policy, Yeltsin said. There is nothing surprising in the efforts of parts of Russia to solve their problems on their own, including efforts to improve their constitutional status. Yeltsin, referring to the recent decision of some regions to upgrade their status to that of republics within the Russian Federation, said it would be naive to view this as only a result of local leaders' excessive personal ambitions.

Yeltsin also warned against the erroneous idea that "the present government's days are numbered." "I cannot agree with this. Whatever the new composition of the Federal Assembly will be, we will still fight for a reforming government," he said.

Yeltsin To Discuss Constitution With Regional Leaders

LD0211131993 Moscow ITAR-TASS in English 1211 GMT 2 Nov 93

[By ITAR-TASS correspondent Gennadiy Talalayev]

[Text] Moscow, November 2 (TASS)—Russian President Boris Yeltsin will meet leaders of all parts of the Russian Federation in the Kremlin on Wednesday afternoon to discuss the draft constitution.

The heads of administration of territories, regions and autonomies of the federation will discuss the draft which has already been examined and considered by the two arms of the constitutional assembly and the constitutional arbitrage, according to Vyacheslav Volkov, the president's deputy chief of staff.

Yeltsin Meets With Yakutian President

LD0111190193 Moscow INTERFAX in English 1741 GMT 1 Nov 93

[Text] On Monday, Boris Yeltsin met with President of the Republic of Sakha (Yakutia) Mikhail Nikolayev. The Yakutian Permanent Mission in Moscow told Interfax that Nikolayev had informed the Russian president of the socio-economic situation in his republic and preparations for the elections to the federal parliament, scheduled for December 12.

The same source reports that following the talks Boris Yeltsin passed the decree on extending an interest-free commodity credit to Yakutia for 1994-98. No further details of the document were given except the fact that the credits will be used for the construction of the railway linking Berkakit, Tommot and Yakutsk and the

3rd phase of the Vilyui hydro-power plant, and the development of Yakutsk. Part of the credit will be extended gratis.

Yakutia is a constituent republic of the Russian Federation.

Yeltsin Issues Decree on Human Rights Commission

LD0111195493 Moscow ITAR-TASS World Service in Russian 1842 GMT 1 Nov 93

[Text] Moscow, 1 Nov (ITAR-TASS)—Russian President Boris Yeltsin today signed the decree "On ensuring the activity of the Commission for human rights under the President of the Russian Federation." The commission includes 14 members,led by Sergey Kovalev.

The commission's main task is to promote the implementation of the Russian president's powers as guarantor of the main human rights and freedoms; respect for and observance of human rights and freedoms in the Russian Federation; an improved legislative back-up for human rights and freedoms; the protection of rights and the patronage of the citizens of the Russian Federation staying outside its borders; and the strengthening of international cooperation aimed at ensuring the rights and freedoms recognized by international law and the legislation of the Russian Federation.

The commission will be responsible for internally introducing legislation that corresponds to international standards and for analysis of existing legislation. It will be involved in working out draft laws relating to protection of human rights and freedoms and in examining appeals sent to the president of the Russian Federation, or directly to the commission, by citizens, organizations, or other subjects that are legally on Russian territory, concerning serious violations of fundamental human rights and freedoms. It will investigate cases of mass violation of fundamental rights and freedoms, or individual cases where human rights have been infringed upon, where the violations pose a particular threat to public order. It will participate in the work of international human rights organizations, in work carried out by the bodies of the CIS Inter-parliamentary Assembly, in work on inter-state human rights agreements, and in drawing up reports for international organizations in accordance with international agreements to which the Russian Federation is party.

Sakharov's Widow Included

LD0111202293 Moscow ITAR-TASS in English 1836 GMT 1 Nov 93

[Text] Moscow November 1 TASS—Yelena Bonner, the widow of noted Soviet human rights activist and academician Andrey Sakharov, and Foreign Minister Andrey Kozyrev are among 14 members of the Human Rights Commission instituted by the Russian president on Monday [1 November] and headed by Sergey Kovalev who is also chairman of the "Russia's Choice" election bloc founded by First Deputy Prime Minister Yegor Gaydar.

The commission at the Russian president which is to "increase guarantees for the rights of citizens of the Russian federation" also includes writers Fazil Iskander and Aleksandr Adamovich, Editor-in-Chief of the influential "IZVESTIYA" daily Igor Golembiovsky, noted lawyer Sergey Alekseyev, Coordinator of the State Chamber of the Constitutional Assembly Boris Zolotukhin, as well as several former Russian lawmakers, diplomats and scholars.

The major objectives of the Commission are to ensure the powers of the president as the guarantor of the basic rights and freedoms, to promote respect and observation of human rights in Russia, to improve legislation on human rights, to protect Russian citizens abroad, according to the presidential decision made public by his press service.

Rutskoy 'Satisfactory' Following Hospital Admission

LD0111141893 Moscow Radio Rossii Network in Russian 1300 GMT 1 Nov 93

[Text] Aleksandr Rutskoy, who is under investigation for the attempted mutiny in Moscow at the start of October, is back in the the Ministry of Security's Lefortovo remand prison after being in the hospital. As was already reported, he was in the hospital in connection with a hypertensive crisis. His condition is now satisfactory, INTERFAX was told at the public relations center of the Ministry of Security.

PRAVDA Returns to Newsstands 2 Nov

PM0111193393

[Editorial Report] On 2 November PRAVDA reappeared after a 30-day gap following its suspension under presidential edict. The paper retains its previous masthead, broadsheet format, and typeface. The former backpage listing of the editorial collegium headed by Chief Editor G.N. Seleznev has been amended to show V.A. Linnik as chief editor; the editorial collegium listing reads: "V.M. Gerasimov, A.A. Ilin, V.F. Ryashin, G.N. Seleznev, G.S. Ovcharenko, V.S. Khatuntsev, V.P. Chernyshev, V.S. Shirokov, G.I. Yastrebtsov." Apart from this listing of collegium members and the omission of some members' other duties, all other backpage information is identical to that which appeared in PRAVDA's last pre-ban issue on 2 October. There is no immediately apparent change in coverage, layout, or tone.

A box at the top left-hand corner of page 1 contains an editorial note entitled "We Are Back" which reads as follows:

"We have not seen each other for a long 30 days, reader. Agonizing days. A whole epoch has passed since our last issue. This time the new era was proclaimed by tank

salvoes. The face of Russia has changed unrecognizably. We are bearing the increased burden of 'the mind's dispassionate notations, the heart's asides, inscribed in tears.'

"We know to whom and to what we owe our publication—to the thousands of your letters and calls which 'bombarded' the Ministry of Press and Information, to the pressure of world public opinion, and to the professional solidarity of our colleagues at home and abroad. Many people realized during these weeks that the authorities' iron fist may come down on 'other people' today, but tomorrow 'their own people' will be able to feel its strength.

"Let it be clear to everyone; we are not changing our convictions. We remain loyal to PRAVDA's best traditions; we remain a platform for left-wing forces and supporters of socialist values. We condemn extremism in all its forms.

"PRAVDA is not a party or a political movement but a very old Russian press organ without which the country's and world's information area would be incomplete. This is precisely the aim pursued by those who suspended PRAVDA's publication at the height of the subscription campaign, but subscription has been resumed and there is still time to restore and increase the newspaper's print run. PRAVDA staffers are confident in their reader and are confident that he will stay with our newspaper forever.

"We owe one duty to you, readers. We remain committed to our name. PRAVDA may be closed down, but the truth can never be silenced.

"We are back: With PRAVDA toward the truth."

This is followed by the text of a telegram from the Russian Federation Federal Postal Communications Administration and an additional editorial note to readers:

"Subscription to PRAVDA Resumed. Telegram to Russian Federation Federal Postal Communications Administrations.

"In accordance with the Ministry of Press and Information Order No. 215 of 28 October 1993 the publication of PRAVDA has been resumed. The newspaper's name and subscription index remain the same. I request that the newspaper's dispatch, transportation, and delivery be ensured. Subscriptions for the current year and the first half of 1994 are to be accepted without restrictions.

[Signed] "V. Shelikhov, deputy general director of the Federal Postal Communications Administration

[dated] "1 November 1993"

"Dear Readers!

"There is very little time left to subscribe for the first half of next year—until 10 November—but we are sure that all who are sincerely committed to our newspaper will hurry to post offices. Subscription is accepted without any restrictions.

"Stick With PRAVDA!"

At the bottom right-hand corner of its front page, PRAVDA carries the following unattributed report entitled "Change of Guard at PRAVDA":

"A policy [planovoye] meeting of the founders—the PRAVDA journalists' collective—took place 26-27 October. Viktor Alekseyevich Linnik, hitherto deputy chief editor for international problems, was elected chief editor.

"Viktor Linnik was born in 1944 in Moscow Oblast; he is a Russian who began working life as an ancillary worker; he is a graduate of Moscow State University and a candidate of historical sciences. He worked at the United States of America and Canada Institute for several years. He has been at PRAVDA since 1980 as and observer, its own correspondent in New York, and deputy chief editor.

"The PRAVDA editorial collective expresses its gratitude to former Chief Editor Gennadiy Nikolayevich Seleznev, who led our newspaper at one of the most complex and tense periods of its existence."

Chief Editor Comments

LD0111194693 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 1 Nov 93

[Remarks by Viktor Linnik, PRAVDA editor in chief, on 1 November; place not given; from the "Novosti" newscast—recorded]

[Excerpts] PRAVDA comes out again tomorrow. [passage omitted]

[Linnik] We are, naturally, preserving our opposition stance, only we are going to be a newspaper of the civilized opposition. In other words, we are going to be a paper which operates strictly within the law on the press, a paper with a tone that is confident and calm, rather than hysterical or screaming. That is the tone we will use with our readers and with the authorities.

I believe that the authorities can only benefit from a paper like PRAVDA being returned to readers, and I think that they know very well that without PRAVDA, the information sphere of Russia, indeed the whole world, would be incomplete.

Moscow Government Bans 7 Nov Communist Rallies

LD0111173793 Moscow Radio Rossii Network in Russian 1700 GMT 1 Nov 93

[Text] INTERFAX reports that the Moscow government has banned pro-communist parties and associations from holding rallies and manifestations on 7 November.

In particular, the adopted resolution states that holding such actions might lead to disruption of public order, endanger the lives of participants in manifestations and other citizens, and disrupt transport and other services. The Moscow government has demanded that the actions' organizers stop the preparations. It is worth pointing out that the organizations which have applied to the mayor's office to hold a mass rally on 7 November include those whose activity has been suspended by a justice minister's resolution in connection with their participation in unlawful actions in Moscow on 3-4 October.

Further on Ban

LD0111184493 Moscow INTERFAX in English 1741 GMT 1 Nov 93

[Text] The city administration in Moscow has banned the holding of rallies and demonstrations to mark 76 years since Russia's October Revolution of 1917, senior expert of the Office of Mayor's law department Vasiliy Arkhipov told Interfax.

Applications for permission to hold mass actions came from the Russian Christian Democratic Movement, the Union of Communists, the Marxist Platform Movement, the Moscow Workers' Union, leaders of the Russian Communist Party's city branch, the Working Russia Movement and the Russian Communist Workers' Party's Moscow branch.

Christian Democrats planned to hold a memorial service on Lubyanka Square followed by a religious march to commemorate the victims of the civil war and political purges and a service near the founding stone of the Christ the Saviour Cathedral. Others, the Working Russia excluded, intended to gather about 100,000 of their supporters in Kalyzhskaya Square before marching in three columns and converging on Moscow's Red Square to hold rallies there. The Working Russia wanted to conduct an alternative rally in Lubyanka Square instead.

In a resolution signed by Acting Deputy Mayor Boris Nikolskiy on Friday, the administration said the ban follows the suspension of activities by the justice minister of a number of applicants on charges of involvement in last month's rebellion in Moscow.

The administration referred to President Yeltsin's decree, under which any mass action on the Red Square is subject to a go ahead from the head of state and agreement from the Kremlin Commandant. One other presidential decree of April 28, 1993, bans any demonstration passing through New and Old Squares of central Moscow, a route planned by Christian Democrats, until after the adoption of an appropriate parliamentary statute.

The law department of the Mayor's Office and the organizers of rallies and demonstrations had failed to reach agreement on alternative routes or timing.

The city authorities believe that the actions planned for November 7 "may disrupt public order, endanger public safety and disorganize city transport and other services.

They warned the organizers against planned demonstrations on November 7 ordering them to cease whatever preparation there may be.

At the same time, Mayor of Moscow Yuriy Luzhkov in a letter to President Yeltsin on Monday asked him to take a decision on the city administration's notifications.

Judicial Conference Discusses Draft Constitution

LD0111185493 Moscow INTERFAX in English 1741 GMT 1 Nov 93

[Text] A commission of the State Court of Arbitration together with the participation of judges from the Supreme Court, the Supreme Court of Arbitration and the Constitutional Court of the Russian Federation has studied a number of provisions of the draft constitution at President Yeltsin's request. Constitutional Court Secretary Yuriy Rudkin has said that the commission decided to consider bodies of local self-government as part and parcel of the system of state bodies of government.

The commission gave a negative reply to President Yeltsin's question whether it would be possible to change only half of the Cabinet if the State Duma voted for a motion of no confidence for a second time.

The conference also considered some questions of the composition of the Constitutional Court. The very existence of that institution was not called in question.

Draft Submitted to President

LD0211124793 Moscow INTERFAX in English 1135 GMT 2 Nov 93

[Text] The head of the Russian president's administration Sergey Filatov has told Interfax Tuesday [2 November] that the draft of a new constitution, worked out by the Constitutional Assembly's working group, has been submitted to President Yeltsin.

Filatov has said that President Yeltsin is to meet Wednesday with the leaders of Russian republics and territorial and regional administrations to discuss the draft Constitution with them. The final version to be suggested for the December-12 referendum will be published on November 12, said Filatov.

Filatov Discusses 3-4 Oct Events, Other Issues

LD0211001893

[Editorial report] Moscow Russian Television Network in Russian at 1900 GMT on 1 November carries in its "Moment of Truth" program carries a 55-minute interview with Sergey Filatov, head on the presidental administration. Topics covered include events of 3-4 October in Moscow, the role of Khasbulatov, the introduction of

censorship, the upcoming adoption of a new constitution, the performance of the Interior Ministry and other government departments, and his fears for the future.

On the subject of the storming of the White House, Filatov says:

"You know, what happened on the evening of 3 October, and we were witnesses of this madness at Ostankino for many hours, of the brutality that occurred, it made me feel terrified, not for myself, of course, but because we were on the brink of civil war. I do not know how it would have started, whether Moscow would get involved in this whole process, or whether it would be certain regions or some others, but I think that the immediate black earth region would have probably been caught up by some kind of unrest and some kind of excesses would have begun. And it would have been impossible to stop it."

He goes on to say that his thoughts now are not dominated by the past, but by preparations for elections in December. He denies events in Moscow were a deliberate provocation by Yeltsin's supporters, as rumored in the press, and he also denies Yeltsin's supporters betrayed him on the night of 3 October. Asked how confidential information found its way into the press, Filatov says that to a large extent this happened through Rutskoy's secretariat. He goes on to say: "As concerns the allegation that Rutskoy and Khasbulatov knew three or four hours before the signing of Yeltsin's decree dissolving parliament, I think they knew about this, at least judging from my observations and information, a week earlier. And I also believe a great deal of the information comes from abroad, and it would appear, from the embassies. We will probably have to do some work in this direction."

Asked about rumors that millions of dollars were paid to the White House by Saddam Husayn, Filatov says he did not know, but that 4 million dollars had been found in the White House. On the subject of the Security Ministry's failure to provide adequate information in advance, Filatov says: "I do not think it is any secret to you or anyone else what happened in our Security Ministry. In effect, the dismissal of [former Security Minister] Barannikov, was, as we saw later, not just a contact; he was involved in corruption and treachery. It was treachery. This was at least working for two camps, but I think that what happened on 3-4 October, and what happened after 21 September, shows he had been working for the other camp, though he had been appointed by the president." He goes on to recall details of how the Security Ministry under Barannikov and the Procuracy under Stepankov had cooperated in the Yakubovskiy corruption allegations.

Filatov replies to a question about events surrounding Yeltsin's decree in March this year involving Rutskoy, Sergey Shakhray, and Yuriy Skokov, then secretary of the Security Council.

Asked how many times Russia has been on the brink of civil war this year, Filatov replies definitely twice, not to mention what happened on 10 December last year (when Yeltsin told parliament he was going to hold a referendum on who should run the country). Filatov blames the constitution and the leeway it allows for this. He is impatient for the elections on 12 December, when parliament will be elected and the rules governing parliament established.

Karaulov asks Filatov when Yeltsin will apologize to the people for appointing Rutskoy as vice president and Filatov for making Khasbulatov speaker of the parliament. Filatov admits he is to blame for the latter, but "at that time very many of his qualities were quite opposite to those that we saw later. For me it was a shock. Nonetheless, even at that time many people warned me that he might be a second Stalin, that many of his traits were reminiscent of the latter. I also saw one or two things." Filatov goes on to say he was worried by the fact that Khasbulatov sometimes seemed to be under the influence of drugs, by his cruelty in dissolving the Chechen-Ingush parliament. Filatov says he is willing to apologize right now for being involved in making Khasbulatov speaker of the parliament. Filatov believes Khasbulatov may have been wreaking vengeance because he was not made vice president. He points out that Khasbulatov was at his strongest when under pressure.

Asked why Chechens continue to support Khasbulatov though he broke up their parliament, Filatov replies that Dudayev, who actually condemned Khasbulatov's behavior, explained the Chechens' continuing support for Khasbulatov by their loyalty to him as a Chechen.

Asked whether it was really necessary to shell the White House, he says he could not say, he was not a military man, but he denies it had been done to display a show of force, pointing out the difficulties presented by the structure of the White House. He recalls how he saw the events on CNN, and says, no, he did not speak with Rutskoy by telephone during the storming. He recalls how difficult the period was, even in comparison with other difficult periods in recent months. One of his main concerns at the time was for those civilians who were caught up in the shooting near the White House.

In reply to a question as to whether he fears an attempt on Yeltsin's life by the opposition, Filatov says: "Well, you know, what does it mean, afraid or not afraid? I would not say there is a real possibility of this, but such a threat really does exist on their part, and the information, I, for example, have, shows there is something of this kind; that is, some groups are preparing something." He goes on to explain that the force that was used by the government was not directed against the opposition, nor even against people's deputies, but against armed gangs engaged in an insurrection.

Asked who thought up the idea of introducing censorship following the attempted coup, he says he has no idea: "I

do not know where this matter was dealt with. I know what is submitted for the president's signature, what is prepared for the president, and this was not prepared for the president." Karaulov goes on to read out at length from an anti-semitic publication on open sale in Moscow to which Filatov expressed the belief that the new Procurator General would deal with such matters more vigorously.

On the subject of the forthcoming adoption of a new constitution, Filatov said: "This constitution has been through the Constitutional Conference, and that is a great deal. It is practically, if I remember correctly, something like 80 parties and public movements, and practically all the subjects of the federation. A huge amount of work—2,500 amendments that have been through the Constitutional Conference alone. And now, when we returned again to the amendments from the subjects of the federation—about 400 came in—and when we began taking another look at the text, there is very little that is fundamental that needs to be altered there, very little. Practically, one, two, three, or four provisions."

Asked whether presidential elections would be held on 12 June 1994, he says: "Yeltsin has not rescinded this, and I do not think he will rescind it, but it is the right of the State Duma to examine this issue."

On the subject of government ministers standing for different parties in the coming elections, Filatov says: "No, it is not a split. It is really brought out all the figures, what they are in the real situation. By the way, this shows what they manage, the difference between them, these structures. For example, the situation in the agrarian sector is different from, say, industry, and reform is proceeding quite differently, and the need for reform is different, and the resources are different, and the people are different. In one place you need Zaveryukha, and in another you need Gaydar, and in the military industrial complex you need Soskovets, and there should not be anyone else there, they will not be accepted. And so, it could appear from outside that different politicians mean different political standpoints. That also occurs, but it is not the main point. The main point is what is underneath them."

Countering Karaulov's criticism of the government, Filatov explains the government has chosen a medium path in its efforts to keep down inflation, which threatens to strangle the population, but has not been entirely successful.

Karaulov blames the high mortality rate on pressures being brought to bear on ordinary Russian people by the reforms. Filatov, however, believes this is just a historical tendency that can be traced back some time.

In response to Karaulov's accusations that Minister of Internal Affairs Yerin is having awards bestowed upon him despite his failure to combat the rising crime wave, especially in Moscow, Filatov praises Yerin's efficiency. Karaulov complains that Sobchak's deputies have been imprisoned for corruption and the city of St. Petersburg and its services are in a lamentable state and yet Sobchak is standing for deputy again. Filatov explains that the times when people were prevented from standing as candidates by the government are a thing of the past and stresses it is now the right of the people to decide such matters.

Asked whether he fears for his future in a country that does not forgive mistakes—Gorbachev and Ryzhkov remain unforgiven—Filatov replies: "For me, for example, that is not the most terrible thing. It was more frightening for me when Rutskoy stood on the steps and we went up to him. The vice president said frankly to our faces, 'when we come to power, we shall hang you upside down from the lamp posts.'" Filatov concludes that a lack of constraints is what is frightening and stresses the need to ensure that such a state of affairs does not arise.

Reports on Number of White House Casualties Viewed

PM0111143593 Moscow ROSSIYSKIYE VESTI in Russian 29 Oct 93 p 1

[Unattributed report: "Why Spill Unspilled Blood?"—from the RETSEPT section]

[Excerpts] The conjectures about the number of people killed in the White House are depressing. Of course, the truth will eventually come out—the competent organs are investigating and scrupulously assembling the mosaic of facts to form a single picture. However, the dead are not small change to be cynically counted up with the clicking beads of an abacus—"40," "100," "500"—and death must not be the subject of political speculations.

Nevertheless, Arkadiy Baskayev, commandant of the building of the former Russian Supreme Soviet, says in the newspaper KURANTY that just over 40 dead were carried out of the White House. While in IZVESTIYA President Kirsan Ilyumzhinov of Kalmykia names a very different figure—500 dead. Differences of this order cannot be pure chance.

So we decided to seek the opinion of A. Shestakov, senior lecturer at the Moscow Medical Academy named for Sechenov and a man who was in the thick of events, leading a brigade of volunteer medics helping casualties during combat operations in the region of the White House. (See the article entitled "They Were Not Decorated for This" in issue 33 of RETSEPT.)

"Esteemed Mr. Ilyumzhinov is exaggerating greatly. I can state with the utmost responsibility that the figures he cites are untrue. We arrived at the White House at around 1000 on the morning of 4 October, and we continued working there until the evening of 5 October, serving the whole of the surrounding territory. We carried bodies out of the building after the blockade was broken: We went in straight after the firefighters, and we

worked with the aid of special forces and servicemen who called us when they discovered casualties or bodies. [passage omitted]

"We removed from the White House or picked up on the adjoining territory 34 bodies, many of which were not participants in the events but onlookers, who, unfortunately, were out in force here. Behind the building near the 14th entrance stood a cordon of servicemen, and there too there were a few dead—but, I repeat, a few, not dozens or hundreds.

"Hundreds of corpses emerged in Rutskoy's fevered mind when he asked for help. These are not facts, but emotions. Rutskoy's phrase was picked up by Western journalists, and now it has been picked up by our own. Obviously, the more corpses, the more striking the events and the bigger the sensation. But it is all lies. And I am surprised at the stance taken by Ilyumzhinov. Where did he see these mountains of corpses? They were probably a figment of his imagination, but then, it seems, fear really does breed exaggeration." [passage omitted]

October Coup Boosts Popularity of Military Leaders

MK0211113093 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 2 Nov 93 p 2

[Unattributed report: "Will General Grachev Become Marshal? The Defense Minister Picks Up Strength"]

[Text] Grigoriy Pashkov's "Mneniye" public opinion service has carried out a survey commissioned by MOSKOVSKIY KOMSOMOLETS to elicit Muscovites' attitude to the actions by the Army during the 3-4 October events in Moscow.

It is noteworthy that the people's mood is gradually softening. Several days after the event twice as many Moscow residents as immediately before the events assessed the operation to seize the White House as "too tough." Now that some time had elapsed, the defeated Supreme Soviet does not appear so terrible as it seemed during the actions by opposition armed formations in Moscow. And the destructive confrontation between the power branches is now being talked about much less than the famous mustache tucked away in a detention center [Rutskoy] or about Chechnya. On the other hand, nearly a third of the population wished the army were more active. The threat of terror and the snipers shooting at the apartments of peaceful civilians terribly frightened many Muscovites who for the first time saw mass violent deaths. No doubt, they would like this "disorder" to become history as soon as possible.

Military victories make great military leaders. This also goes for political victories. August 1991 brought us the names of Grachev, Lebed, and Shaposhnikov. And although the storming of the White House is far from the seizure of Bastille, nonetheless the fact is that it has added political weight to Pavel Grachev. The number of those who believe that Grachev should continue to hold the post of defense minister has grown 1.5 times compared to September, which can well be seen as an upsurge in popularity.

Yet it is impossible to gain steady authority on political upheavals. Prior to the October events the "Mneniye" service, again at our request, tried to identify the most popular military leaders. Among those army chiefs whom the Muscovites "appointed" defense minister, the first three positions are confidently maintained by those who placed their bet on democracy two years ago. But 52.2 percent of those polled in September could not come up with the name of a person in military uniform who has great authority in the country. Another 11 percent said there were none, in their opinion. The overall rating of even the most well-known military leaders proved to be fairly low and throughout these months has been steadily falling—the generals have been "eating up" the dividends brought by August 1991. October has raised the popularity of our military leaders—the army has played the role of the savior of Fatherland. Yet the high rating received by Pavel Grachev is the maximum from where the curve will inevitably begin to fall if army reforms continue to be sluggish.

Who among current Russian military leaders do you think has the greatest authority in the country?

Grachev	13.9
Shaposhnikov	8.3
Lebed	7.0
Gromov	6.0
Other name	1.3
None	11.3
Not sure	52.2

If you were to appoint Russia's defense minister, whom would you choose?

Grachev	12.1
Shaposhnikov	6.1
Lebed	8.0
Gromov	7.2
Other name	0.7
None	11.8
Not sure	54.1

Do you think that in storming the White House the Armed Forces acted too toughly or too indecisively?

	8-10 Oct	4 Oct
Too toughly	28.9	13.6
Too indecisively	34.4	37.1
Not sure	21.8	30.2
Other answer	14.9	19.1

What would be more preferable, from your point of view—if Pavel Grachev resigned or if he continued to fulfill his duties as defense minister?

	Oct 1993	Sep 1993	Mar 1993	Dec 1992
Resign	20.9	29.1	14.9	11.4
Stay on	47.7	30.6	32.3	33.1
Do not know	29.1	35.7	47.1	43.5
Do not know of such a person	2.3	4.6	5.7	12

Sobchak: Precise Definitions of Equality Necessary

LD0111160093 Moscow ITAR-TASS in English 1453 GMT 1 Nov 93

[By ITAR-TASS correspondent Lyudmila Yermakova]

[Text] Moscow November 1 TASS—Russia's future structure is the most "urgent and critical issue in the draft new constitution," Anatoliy Sobchak, head of the Russian Constitutional Assembly's Public Chamber, said.

In an interview with ITAR-TASS on Monday, Sobchak said that 29 Russian constituent republics claim sovereignty, but there could be no federation if its members are not equal.

"Fighting is going on between these two poles," Sobchak continued. Republics "have a powerful weapon: they constantly threaten that if their demands are not satisfied, they will refuse to take part in the referendum and elections." This may jeopardise the very legitimacy of the adoption of a new constitution in Russia, Sobchak said.

At the same time, he believes that as democracy and statehood develop, "these contradictions will be removed. Already today we have a basis for adopting a compromise decision." This includes proposals adopted by both chambers of the Constitutional Assembly that republics should have their own constitutions, legislations, coats of arm and state languages. But they also suggested dropping the concept of "sovereignty" and the word "state" which was used to specify the word "republic," Sobchak said.

However, he expressed the doubt that this is the "ultimate solution to the problem," adding that heads of republics and regional administrations will discuss this issue before the draft constitution is published.

If normal relations between federal authorities and regions are established, "their powers will be distributed normally, no matter what they call themselves—sovereign or not," Sobchak stressed. He warned against a split and called for finding "such a definition of the republics' place in Russia which would lead to a dialogue between all members." If republics receive additional powers or special status, regions, autonomies and territories will seek to proclaim themselves republics in order to get even with the republics, Sobchak said.

If no clear-cut juridical definition is included in the constitution, many will follow this logic. But this is a "fatal process for Russia," he added.

Stankevich Says Federalism Sole Road to Saving Russia

MK0211111193 Moscow NEZAVISIMAYA GAZETA in Russian 2 Nov 93 p 2

[Marina Kalashnikova report under the "Province" rubric: "The Spontaneous Redivision of Power by the Regions Is Drawing to a Close. A New Context of Sovereignty Problem]

[Text] The Urals Republic phenomenon has given rise to commentaries that have defined various angles and the multilayered nature of the problem NEZAVISIMAYA GAZETA has written about previously. Presidential adviser Sergey Stankevich believes that "its emergence may prove to be the last act in the parade of sovereignties which in deed smokescreened the regional elites' redivision of property and power in conditions where the weakened federal center has been drawn into a long and self-destructive conflict with the mock parliament. This is the oblasts' belated reaction to the process in which the republics had scored a measure of success by cashing in on the constitutional provisions surviving from the USSR, as well as powers they tacitly arrogated in the period of reforms.

"The spontaneous redivision that involved negative aspects and excesses resulted in the creation of a 'regional' legitimacy system—separate from the federal one—that has broken up the Russian state's constitutional-legal unity. The simultaneous existence of the two systems formalized in the Federal Treaty could only have been a temporary compromise. Should the treaty be built into the constitution, it would signify a step toward relations of a confederative type." A member of the Party of Russian Unity and Accord, Mr. Stankevich underlined that the party orients itself to federalism as the only way of saving Russia. It sets the task to work out a sensible balance of federal and regional interests.

In Mr. Stankevich's opinion, one of the options making for equality could be "Russian Lands," which brings together several regions and grants powers similar to those of the republics. He also thinks it would be sensible to keep the republics' state attributes having a tinge of tradition in them, while they should rigidly observe these key principles: the ban on secession, the prevalence of federal legislation over local legislation, and guarantees against a unilateral revision of the mutually agreed on powers secured for the republics.

Presidential Council member Leonid Smirnyagin also thinks these principles paramount. He views the step by the Sverdlovsk Oblast Soviet as upsetting the balance of inequality, "which has taken shape and is continuing," as one that affects the rights of the other components. "In order to be legitimate, the Ural's Republic should secure consent from the other oblasts."

Viktor Kalashnikov, director of the Russian Public Political Center, thinks the Sverdlovsk Oblast Soviet's actions are the last show of regional independence, which has lost both its role in the political gamble and its power base. Under the present political setup, regional separatism and parochialism flavored by nationalism hamper the operation of new economic structures. The present context of the sovereignty issue presupposes, among other things, the "evening out" of Russia's economic space which accords with the interests and stronger real power of its concerns, banks, and ministries.

Official Discusses Liaison With Public Organizations

PM0111163793 Moscow ROSSIYSKIYE VESTI in Russian 28 Oct 93 p 2

[Interview with Petr Romanov, chief of a section of the Russian Government Department for Liaison With Federal Organs of Representative Power and Public Organizations, by Vladimir Khrustov; place and date not given: "Government Holds Dialogue With Partners and Opponents"]

[Text] The change in the sociopolitical situation in the country has required that the government transform a number of apparatus structures, in particular the department which used to work with the former Supreme Soviet, public organizations, and religious denominations. This component is now called the Department for Liaison With Federal Organs of Representative Power and Public Organizations. What is its role during the election campaign? Petr Romanov, chief of a sector of the department, spoke about this at your ROSSIYSKIYE VESTI correspondent's request.

[Romanov] When the department was being formed back in March it was thought that it would have two sectors: one for liaison with the Supreme Soviet and public associations (trade unions, political parties, and national, cultural, and other organizations) and the other for liaison with religious denominations. By midsummer conflicts had already emerged between the structures of state power—the executive and the legislature. But the department ensured liaison. Civilized liaison with organs of representative power will also be a highly important aspect of our work in the future. Since the government can operate and implement its own political course and economic programs through the legislative process, that is, by engaging in lawmaking activity. That mechanism was not organized before.

Scarcely had the department begun to be formed than we were asked to monitor how government legislative acts passed through the old Supreme Soviet. The government won the right to initiate legislation early in the year, whereas previously drafts used to go via the president. It turned out that there was no structured mechanism. A great many drafts were held up, and committees and commissions split them up into separate documents. Some ministries and departments lobbied to get their interests through committees and commissions. The upshot was that the government's economic policy was not formulated in legislation. And that accounts for the talk that the government does not have its own action program. It has a program, but the mechanism and structures that should be implementing it do not exist. So this set of tasks will remain the main one facing the department.

Structural reorganization of the department is now envisaged. This is due primarily to the fact that the representative branch will have a new form. We will have a sector for liaison with the parliament's committees and commissions and possibly a sector for liaison with political factions.

What is the department primarily doing today? Monitoring the electoral process has been a very big problem for the government. The aim of this work is not to collect "intelligence data," but to find out the viewpoint of those who will form the executive in the future—deputies and whole factions—to find out how they see the constitution, parliamentarianism, and the activity of the future parliament and what view they take of the current Cabinet's activity within the framework of the election campaign.

This is a very important channel since it is possible to obtain a great deal of information from the regions that simply did not reach us before. And since political organizations are a long way from power structures, the picture here will be as objective as it can be.

Liaison with religious organizations and denominations represents an extremely important set of questions. The government treats them equally while giving some priority to the Russian Orthodox Church. There are the tremendous problems experienced by Russia's Muslims, the problems of the Catholic minority—a religion which has always been traditional in Russia—as well as those of other Christian and non-Christian denominations.

As you know, Point 6 of the Russian Federation Law on the Russian Council of Ministers-Government makes provision for liaison with political parties and public associations and for assistance to them. As you know, the question of the transfer of property is a very acute one now. It is a question of the transfer of church property, and not only Orthodox Church property. This concerns icons, other cultural assets, and churches.

Trade unions—organizations uniting representatives of hired labor—are and will remain the government's constant adversary in the implementation of its economic

program. It is important to note that this category is being legally formalized. Naturally, the category of employers united in various organizations will also exist. It is well known that there is a trilateral commission where attempts are sometimes made to find a compromise, an acceptable solution to the problems of employees, employers, and the government. Moreover, I must stress that the government is not an employer, as many people think. Employers are major corporations and ministries to some extent. In this case the government acts, so to speak, as supreme judge and arbiter in settling contentious issues.

Government liaison with trade union representatives forms a very difficult part of the department's daily work. A very large number of problems have emerged in connection with the coming elections. For instance, as early as 1991 15 trade unions from the Federation of Independent Trade Unions had a clause in their charters saying that they can take part in elections of organs of representative power and self-government. In accordance with the legal acts now regulating these matters trade unions cannot act as a political force since they are not political organizations or part of a bloc. Hence there is probing of the government's opinion on this subject. Let me say straightaway that the government treats all trade unions exactly the same.

The department currently is doing a great deal of work with national public organizations. Many of them want to take part in elections and have joined a registered bloc. Interestingly, only two registered national organizations—of Russian Germans—have appeared on Central Electoral Commission lists. So far no organizations of Slav peoples—the Association of Ukrainians of Russia, say, which recently held its congress in Moscow—have been registered. Representatives of the Korean and Jewish communities have already appealed to the Justice Ministry, which refused to register their election structures. You know that many other public national organizations are trying to include amendments in their charters authorizing them to take part in the election campaign.

Russia is a multinational country and it is extremely important for not only all its regions, but also all its peoples and national minorities to be represented in the new parliament.

Election Issues

Ryabov Denounces Dishonest Candidates to Federal Assembly

LD0111134393 Moscow ITAR-TASS in English 1208 GMT 1 Nov 93

[Text] Moscow November 1 TASS—It is premature as yet to speak about the number of candidates for the Federal Assembly's seats, Chairman of the Electoral Commission Nikolay Ryabov said in an interview with a TV programme "Voskresenye" on Sunday.

According to him, the parties and blocks which want to nominate their candidates should be considered as merely contenders, until they collect signatures of 100,000 supporters.

Ryabov said he knew about certain instances of cheating when collecting signatures of potential electors. To prevent falsification of the lists, Russian President Yeltsin issued a decree which prescribed a standard form for these documents.

In response to a letter sent to the Supreme Court of Russia which accused the Central Electoral Commission of obstructing the nomination of certain candidates, he said: "Some of the political functioners, who have failed to enter the list of their electoral union and to pool one percent of the votes, are demanding that they be included in the ballots just because of a benign altitude on the part of some party or political movement. The Central Electoral Commission firmly opposes that."

Fedorov Criticizes Government for Election 'Fuss'

LD0111133893 Moscow ITAR-TASS in English 1156 GMT 1 Nov 93

[By ITAR-TASS correspondent]

[Text] Moscow November 1 TASS—Russian reformist Finance Minister Boris Fedorov blasted the government for paying all attention to the upcoming elections and delaying the solution of important problems and said a coalition government would not save the country.

"I am sick and tired of our half-way policy, of endless compromises, of the necessity to sit at the same table with people who are my ideological adversaries and who state that the government has no programme", Fedorov, who is also deputy prime minister, told TASS on Monday [1 November].

"I deeply dislike the (government) participation in election campaign, the fuss around future positions, attempts to postpone major decisions. I do not understand how we adopt or more often do not adopt important decisions, why amateurs are dealing with many problems, why the number of ministries and departments has reached such a number that it is impossible to remember all government members", he added.

Fedorov said he is categorically against a coalition government which can be formed by a new legislature. "I am not going to work in the government after elections if it does not meet my convictions, if it is not united and highly professional, if it is not adherent to the tasks of reforming and reviving Russia".

"Another coalition government would mean a continuation of the economic and political crisis", the minister said.

He added, however, that the current government had done many positive things this year, but urged "a breakthrough, a faster movement ahead".

Shakhray on Communist Competition in Elections

LD0111174493 Moscow ITAR-TASS in English 1722 GMT 1 Nov 93

[by ITAR-TASS correspondent Svetlana Ivanova]

[Text] St. Petersburg November 1 TASS—Russian Deputy Prime Minister Sergey Shakhray, who founded the Party of Russian Unity and Accord to run for a new Russian parliament, said he sees "the communist bloc as the most real competitor" at the upcoming polls.

"With all other parties we can find a common language", he told a press conference on Monday [1 November].

Shakhray who wants to become the chairman of the State Duma (lower house) added that his party counts on 30 per cent of votes and pledged support to the economic and political course of the president and the government.

However, he stressed that regional interests will determine the party's approach to various issues because "federalism, local self- government and a socially-oriented market economy are the three whales of a stable Russian statehood".

Still Shakhray criticised those Russian regions which want to proclaim sovereignty and called the decision "erroneous".

The deputy prime minister said government members who succeed in winning a seat in the new parliament should retain their ministerial portfolios as this would ensure interaction between supreme bodies of power.

Backs Talks With Blocs

PM0211114193 Moscow ROSSIYSKIYE VESTI in Russian 2 Nov 93 p 1

[Unattributed report under general headline: "Center of Attention"]

[Text] Sergey Shakhray, leader of the Party of Russian Unity and Accord (PRUA), has come up with the initiative to hold bilateral and multilateral consultations with democratic and centrist parties and blocs. The main aim of the initiative is to agree on the nomination to the new parliament of people who are prepared for dialogue rather than confrontation.

Top Officials' Role in Election Questioned

PM0211101793 Moscow ROSSIYSKAYA GAZETA in Russian 30 Oct 93 First Edition p 2

[Article by political observer Lev Korneshov: "Seduced By Power"]

[Text] There are six weeks to go to the elections. That is a very short time by any standards. I am not thinking of the technical and administrative difficulties—those are surmountable, all the more so as the Central Electoral Commission is working with enviable energy. It is a case of something else—of the voters' having enough time to make their choice...

The most powerful blocs and parties have already drawn up their candidate lists and are vigorously deciding their tactics for the election campaign. Nobody has any time for strategy, since strategy presupposes working for the longer term; and this is going to be a sprint, not a marathon.

What is puzzling is that the candidate lists contain no surprises, that they are faces everyone knows. People may have different attitudes to them but, if elected, their actions will be entirely predictable. That is both reassuring and alarming—reassuring because the country needs stability, but alarming because there is a danger of settling into a rut. Some candidates for the future parliament already wield enormous executive power. I do not believe that they have previously lacked the opportunity to use it for the good of the country.

You get the impression that the blocs and parties are vying to see who can do a better job of dazzling the voters with the names of the politicians siding with them. This is effective but not fruitful since it would be far more useful to have election programs vying with each other. The voters' current knowledge of these programs is gleaned solely from brief mass media commentaries covering general aspects, appeals, and good intentions, but even what we do know gives us reason to assume that there will be no serious differences between, for instance, "Russia's Choice" and S. Shakhray's Party of Russian Unity and Accord (PRUA). Consequently it may be a case of competing personalities rather than competing concepts, programs, or ideas, and even though such a knowledgeable and experienced lawyer as A. Sobchak stated at a press conference that there are no and can be no legal, moral, or ethical obstacles to government members' taking part in the election campaign, questions remain nonetheless.

I do not think that anybody will take offense if I try to answer the question "who are these government members?" as follows: They are highly qualified, high-ranking officials (civil servants) who have been employed by the president and prime minister to carry out very definite duties. Above all they should be found working specifically in the government, but suddenly a strange situation has emerged—several deputy premiers have joined the campaign for seats. Sergey Shakhray has even made public his intention to run for chairman of the State Duma.

I would be happy to be proved wrong, but a very clear idea is visible—a coalition government will be formed in the very near future. We do not know who the vice premiers will be, but the speaker [spiker] will be speaker in the State Duma too. Shakhray's party is trying to rely on the provinces, so it is worth recalling Sergey Mikhaylovich's September tour of major cities and regions in the country.

S. Shakhray had, he thought, made a superb election move in stating that he would take a two-month sabbatical from his important post in order to take part in the election campaign. But hold the applause. For a start, we have to get an answer to the question of how, at the height of a crisis, a vice premier can relinquish his duties for a full two months. Or are those duties such that nothing will happen to them in the space of two months? As for his leave, well... Whether he wins or loses in the election, his return to the lofty heights of government is preordained.

At a time when several of his influential deputies have simultaneously embarked on election campaigns, Prime Minister V. Chernomyrdin seems to be keeping his cool. We can only hope that the premier will continue to prevent his political weight from being exploited in the interests of different blocs or figures.

There is one other interesting feature in the most vigorous politicians' actions—they will be remembering that the State Duma and Federal Assembly elections will be followed by an early presidential election. And they are surely the ones who will be "in the running." Sergey Mikhaylovich, they say, is young, very energetic, and already has a democratic career profile...

It just seems to me that it is a little soon to be looking at June 1994. The immediate future should show us just how necessary an early presidential election is for a shattered country.

'Quiet Sabotage' of Elections Feared

PM0211112193 Moscow ROSSIYSKAYA GAZETA in Russian 30 Oct 93 First Edition p 2

[Unattributed report: "Threat of 'Quiet' Sabotage"]

[Text] There are fears at the Central Electoral Commission that influential procommunist forces at local level will attempt to respond to the elections with "quiet" sabotage. This suggestion was made yesterday in an interview with an ITAR-TASS correspondent by Central Electoral Commission Member Andrey Beloborodov, who coordinates the Central Electoral Commission's work in liaising with district electoral commissions.

Andrey Beloborodov noted that the Central Electoral Commission "will still have to determine where preparations for the elections are being accompanied by objective difficulties."

To this end, he said, Central Electoral Commission lawyers have been instructed to constantly analyze the course of the election campaign and information from local level about violations of the provisions on elections to the Federation Council and State Duma.

Details of Campaign Airtime Allocation Reported

PM0111174593 Moscow IZVESTIYA in Russian 30 Oct 93 First Edition p 4

[Report by Aleksey Voinov, Maryana Panarskaya, and Pavel Solovyev of the "School of Media Law": "Information Guarantees Established For Campaign Canvassing"]

[Text] On 28 October the Russian president signed the Edict "On Information Guarantees for Participants in the 1993 Election Campaign." The edict ratified a statute on the basis of which a relevant law will no doubt be adopted in the future. Members of the authors' collective—the drafters of the statute—comment on it.

First of all, the statute does not aim to regulate the activity of journalists and editorial offices in a petty way, which would violate their professional independence in defiance of the Russian Federation Law "On the Mass Media." However, certain commitments connected with covering the election campaign are being placed on journalists and editorial offices: in particular, to refrain from giving unequivocal support in television and radio programs to particular candidates, parties, and electoral associations, and their election programs.

A journalist who has publicly expressed his support for a particular bloc or candidate cannot participate in a news program as a presenter or in a program in which candidates take part. This concerns first and foremost campaign debates and "roundtables." A journalist who commits a gross violation of the requirements of the statute may also be banned from taking part in the preparation of programs.

Certain restrictions in their professional activity are placed on journalists who directly take part in political activity connected with the election campaign, and in particular on journalists who are candidates to the State Duma or the Federation Council, and also those who are empowered to act on another candidate's behalf.

The statute on elections envisages that in the three weeks prior to election day access to airtime within the established limits is free of charge. Beyond this limit the principle of payment for airtime granted to candidates or electoral associations comes into operation. The principle of payment is dictated by the need for the rational use of airtime.

The statute establishes the amount [razmery] of airtime the candidate has the right to obtain, and the television and radio broadcasting company is obliged to grant it. Payment for airtime must be of a general nature and equal in respect of all candidates. The television and radio broadcasting companies are obligated to set payment on the basis of the need to cover their outlays and no more than that. Evidently the Central Electoral Commission will issue instructions amplifying the statute. In addition, appropriate explanations will evidently be given by the arbitration tribunal envisaged by

the statute. Its composition is ratified by the same edict of the Russian Federation president.

Rules on Media Access 'Worked Out'

LD0111152193 Moscow INTERFAX in English 1359 GMT 1 Nov 93

[Text] The Central Election Commission [CEC] in Moscow has worked out rules on mass media access by rival parties and groups in the run up to next month's general elections between November 21 and December 11.

Federal and regional TV and radio broadcasting companies are instructed to allow election alliances and independent candidates at least 20 minutes of free air time to express their cause to television viewers or radio listeners. However, the CEC paper says the timing allocated to different parties and groups must not coincide. Appropriate schedules are to be drawn up by the management of the electronic mass media and endorsed by the CEC by November 17.

Each candidate is entitled to one speech on television and one on radio. Violators may face penalty fines or criminal charges.

Centrists' Infighting Could Cost Votes

PM0111161193 Moscow KRASNAYA ZVEZDA in Russian 29 Oct 93 p 1

[Vladimir Yermolin article: "Russian Voter Looking for Emergency Exit From Labyrinth of Election Programs"]

[Excerpts] Eight days remain before the latest date for submitting lists of candidates for the State Duma. Some 21 electoral blocs have been registered at the Central Electoral Commission. This—by even world standards a massive entry at the start of an election race—gives much food for thought. There is no point in drawing hasty conclusions, but one thing is already evident: The elections are allowing the "new age's" range of political forces to take shape, marking out the boundaries between the movements and parties, and to a greater or lesser extent revealing which specific force, from the once monolithic mass of supporters of the president and the reforms, claims the role of the civilized opposition. [passage omitted]

Russians probably know most about the intentions and potential of the leaders of "Russia's Choice." This bloc to all intents and purposes represents the reforms policy which is already being carried out. You just take a look around you, weigh things up, and make your choice. In this respect, Yegor Gaydar and his comrades-in-arms in the bloc are in the most vulnerable position—the majority of Russians are finding the reforms painful, which cannot be disregarded. All those to the right of Gaydar took full note of this, and distanced themselves somewhat from the present reforms policy. Both Anatoliy Sobchak (Russian Movement for Democratic Reforms) and Sergey Shakhray (the Russian Party for Democratic Reform), without in any way rejecting the reform's basic aims, are nevertheless proposing to give it a human face, or as they said in the period of stagnation—bring it closer to people. In principle, it is a question of continuing as before, but in an evolutionary and not a revolutionary manner. It is also proposed that attention be focused on the economy's production sector, and that in the first instance the producer himself be encouraged. Grigoriy Yavlinskiy also makes his own proposal for beating the economic crisis. He is unhappy about "Gaydar carrying out the reform in fits and starts, in an unpredictable manner, often ignoring realities." Yavlinskiy considers that the "soft" options for putting the Russian economy back on its feet include confirming that private ownership is a priority, demonopolizing industry, and strengthening ties with the former USSR republics.

Leaving aside details, the fundamental economic tenet for the "center" is to create a mixed economy which takes into account the state's traditional role as a regulator of economic relations. That is, it is in favor of the market, but with a socialist face; and of reforms, only socially oriented ones.

With regard to the communists—who are the most established right-wing movement—we can discern here a class-based approach, "an orientation in the economic reforms first and foremost toward the working people's interests."

However strange it may seem, at this stage of the struggle there is as yet only a half-hearted exchange of fire between the wings which have identified themselves and the center. On the other hand, the firing within the democratic camp is getting more intense with every day. What is the point of the exchange of fire between Vladimir Shumeyko and Mikhail Poltoranin? And how Gavriil Popov blew the whistle on the ministers from "Russia's Choice" "who cannot sort things out with the prosecutor's office and now wish to receive immunity as deputies in order to escape having to going there!" Other candidates running for the new parliament, who incidentally are to this day members of one and the same government, have been exchanging unpleasant and caustic remarks.

It is possible that the democrats regard the remaining candidates, who are concentrated in the center and on the right, as too insignificant to enter into debate with. But it may happen that it will actually be some "scandal in the noble family" of the ruling democrats which will provide the opposition with quite a few votes.

People's Patriotic Party Election List Registered

PM0111153793 Moscow ROSSIYSKAYA GAZETA in Russian 30 Oct 93 First Edition p 1

[Unattributed report: "Lyudmila Chursina Is a Candidate for Deputy"]

[Text] The People's Patriotic Party of Russia electoral association is the latest to register State Duma candidates on a federal list at the Central Electoral Commission.

It is reported that the People's Patriotic Party has put forward 81 candidate deputies. The electoral association's list is headed by Aleksandr Kotenev, chairman of Russia's Afghanistan Veterans Union; Academician Valentin Fedorov, Russian Federation deputy minister of the economy; and Russian People's Artiste Lyudmila Chursina.

Election Blocs Continue Gathering Signatures

LD0211033393 Moscow Mayak Radio Network in Russian 0300 GMT 2 Nov 93

[Text] Our colleagues at the Ekho Moskvy radio station have reported some preliminary figures on the collection of electors' signatures on lists of candidates for the State Duma.

Russia's Choice has gathered about 70,000 signatures in various parts of the country. The August bloc, which is Konstantin Borovoy's bloc, has about 100,000. Nikolay Travkin's Democratic Party and the National Republican Party have about 80,000 signatures each. The Fatherland Bloc has 60,000, and the Consolidation Party has the same amount. The Conservative Party has 20,000 signatures.

Poll Shows Majority Opposes Call To Boycott Elections

LD0111134493 Moscow Radio Moscow World Service in English 1200 GMT 1 Nov 93

[Text] A majority of Russians oppose white radical calls for boycotting the parliamentary elections and are going to vote. This is clear from a poll conducted in various Russian regions by the Moscow Institute for Comparative Social Studies together with the American weekly U.S. NEWS AND WORLD REPORT. Forty-three percent of those polled are ready to back supporters of Boris Yeltsin's reformist line in the forthcoming elections. Fifty-one percent assess positively his activity as president and approve his decision to dissolve parliament. Just 29 percent hold that, like parliament, Boris Yeltsin should be re-elected before his term of office expires.

Elections Give Chance for Political Stability

PM0211113593 Moscow KRASNAYA ZVEZDA in Russian 30 Oct 93 p 2

[Observer Aleksandr Golts article under "Week's Topic" rubric: "What Do the Coming Elections Have in Store?"]

[Text] So once again Russia is pregnant with elections. It has to be said that it has regularly found itself in this interesting position in the whirl of political passions in recent years. Now politicians and analysts, journalists and public figures both here and abroad are trying to guess: What will be born this time? Will the new parliament be viable?

But the time for serious prognoses has probably not yet come. Everything still lies in the future. The struggle to win over the voters and tough debates. This week the future competitors were engaged in forming alliances, collecting signatures which grant the right to participate in the elections, and drafting and amplifying programs and slogans.

Now, before the ups and downs of the struggle itself have grabbed universal attention, there is time to think about what the coming elections will bring or can bring to Russia, to a country which is already rather tired of upheavals, when political skirmishes escalate into shootouts according to some terrible natural law. Today the only people not criticizing the rules on which these elections are to be based are those too lazy to do so. I will remark that there are grounds for such criticism. It is hardly possible to regard as normal the fact that the rules of play change as you go along, when the provisions of presidential edicts demand first amendments and then amendments to amendments. But I believe that, if you proceed from the truly extraordinary circumstances resulting from the rapid changes in the state, it is hardly possible to demand that the drafters create an ideal electoral system.

I am sure that, even given the present obvious imperfection of this system, Russia has a chance, through the elections, of taking the first step toward a more or less stable society. In my view this chance lies in the fact that the blocs now formed express fully enough the whole range of opinions that exist in society. Consequently citizens are not required to take to the streets and hold strikes in order to assert their views. It is sufficient to vote for those who express these views to the greatest extent. The fears that as a result of the events of 3-4 October in Moscow, a certain section of society would not have the opportunity to make its choice seem not to have been borne out.

Only the obvious extremists who relied on strong-arm methods to seize power have vanished from the political arena, but both left-wingers and right-wingers, both liberals and communists are now represented in it. It is even more important that all forces which are at all influential or which reckon on winning influence have deemed it possible and necessary to participate in the elections. That is, they have stated their intention to form a representative power under the conditions of a fundamentally new political system for the country, under the conditions of a new balance between parliament and the executive bodies. This is one more guarantee that the struggle of views, which is inevitable during a transitional period, will not escalate into a power confrontation. The idea is that the very desire to participate in the elections presupposes a readiness to employ exclusively legitimate methods.

The coming elections have already given a strong boost to the differentiation of political forces. Let us recall that the election campaign for the Supreme Soviet in point of fact required the candidate to formulate his attitude to the old system and to answer "for" or "against" the CPSU. There was virtually no discussion of the new state or the nature of reforms. With the disappearance of the object of the dispute, the parliamentarians were freed from obligations. A significant proportion of them yielded to personal predilections and ambitions.

I admit that I certainly do not consider the present electoral blocs to be parties in the full sense. Most likely they are semimanufactures of a kind. Nevertheless the process is under way. As it develops, society is getting away first from the extremely limited choice between "communists" and "anticommunists" and then from the monstrously primitive contrasting of "democrats" and "patriots." It is getting away (or must get away) from the situation in which political concepts were expressed and sometimes even realized at the level of "Down with that!" and "Up with this!" slogans. Politicians are now forced willy-nilly to formulate full and detailed programs both for themselves and for the voters. This provides an opportunity for people to discern what they are essentially about.

It is already noticeable that certain electoral blocs are taking their example from the classic liberal-conservative parties of the West with their clear-cut adherence to a free market economy, private ownership, and individual freedoms. The others' programs tend more toward promising social guarantees and, thus, toward a greater degree of state regulation of the economy. That is, toward what is characteristic of laborites and social democrats. Finally the radicals, who emphasize nationalism and who are inevitable in an unstable society, are also represented.

These blocs are headed by figures who are known to us. So we can always compare the program statements also with the degree of confidence that we have in a particular politician. It is also an important fact that, in addition to people whose names are heard everywhere, the election campaign also gives new leaders an opportunity to declare themselves. Thus, there is a chance of renewing the stratum in power.

It is highly significant that the parties and blocs have been forced right now to seek social support among specific groups of the population and to try to express the interests of those particular groups or sections. Associated with this is a desire to secure the support of the trade unions and other public organizations. Thus, a structural change is taking place in political life toward a greater degree of civilization, albeit in a highly original way. But I will repeat: All the enumerated positive points are no more than a chance. Which may or may not be realized. It is a matter of the very low level of political culture in society, of the lack of stable democratic traditions.

There is a danger, however, that the population, which is pretty tired of the permanent confrontation, will not even properly grasp the differences between the programs, and once again, as before, it will make its choice on the basis of emotions. Those who wish to make the voter aware of their ideas must reflect on how to make these ideas accessible. Otherwise the possibility that victory could go to adroit demagogues cannot be ruled out.

I will not hide the fact that definite misgivings also arise from the level of political culture of those entering the election struggle. In principle there is no great problem in the fact that figures who only yesterday belonged to the same team are dispersing among different election blocs. Here, if you like, there is hope that an atmosphere of complete and absolute denial of the other side's positions will not prevail in the future parliament and that there will be arguments only over the specific reform tactics. But at the same time we have repeatedly witnessed how personal ambitions have made yesterday's like-minded people humiliate one another and wage a struggle for complete annihilation.

Today, in my view, it is only possible to welcome the clearly expressed desire of the leaders of several leading blocs to adhere to some code of conduct in the election struggle. That is, not to descend to personal attacks, insults, and hysterics. Consequently, to maintain the balanced tone of election arguments and to talk about ideas. But declarations are no more than words, and there are already the first signs that these very people are behaving far from correctly in the election hullabaloo. They should not forget that in a very short time their disrespect for opponents could, God forbid, escalate into a direct confrontation on the streets.

Today Russia has a chance. A chance that as a result of the elections the country's political landscape will emerge as a plowed field ready for work. But not a battlefield, trampled down, strewn with political corpses, and incapable of bearing fruit.

Economic Issues

Presidential Decree on Shareholders' Rights

LD3010114393 Moscow ITAR-TASS World Service in Russian 1115 GMT 28 Oct 93

["Decree of the Russian Federation president on measures to ensure the rights of shareholders"—TASS headline]

[Text] [no dateline as received] With the aim of broadening the securities market, developing competition on goods and financial markets, and ensuring the rights of shareholders, and in accordance with the proposals of the Russian Federation Presidential Commission on Securities and Stock Exchanges I decree:

1. That it be established that open-type joint stock companies are obliged to ensure the keeping of a register of shareholders in accordance with this decree.

Information about the following is to be entered on the register of a joint stock company's shareholders:

about the joint stock company;

about the amount of company capital, the number and nominal value of shares and categories (types) of shares issued by the company, about the splitting and consolidation of shares;

about every shareholder in the company;

about shares in the company bought by it from its own funds, their quantity, nominal value, and categories (types);

about dividend payments;

about documents confirming the conclusion of shares deals (if deals are concluded without the participation of investment intermediaries or a depositary), and also about other bases for attaining the right of ownership of shares and about the encumbering of shares with obligations in instances provided for by Russian Federation legislation;

about the nominal holder of the shares (if any);

about the depositary (depositaries), if any.

2. That it be established that the following serve as a basis for making entries in the register of shareholders of a joint stock company:

The founding agreement and a document confirming payment for the shares (the deposit made by the founder into the company capital), where a joint stock company is being founded in correspondence with the legislation of the Russian Federation on enterprises and entrepreneurial activity;

Protocols on the results of the private subscription and the results of trading and a document confirming full payment for the shares, and also a document from the corresponding property fund (committee for managing property) on the transfer of shares in state property to the company capital of holding companies or other joint stock companies which has been issued in accordance with the approved privatization plan, where a joint stock company is being founded in the course of the privatization of state and municipal enterprises;

Documents confirming the conclusion of a transaction with shares (if the transactions are concluded without the participation of investment intermediaries and/or a depositary), and also other grounds for acquiring property rights to shares and instances of shares being encumbered with obligations in cases provided for in the legislation of the Russian Federation;

The written instructions of the shareholder or joint stock company indicating the grounds for making entries in the register of shareholders of the joint stock company.

Transactions with shares which are carried out without the participation of investment intermediaries and/or a depositary are concluded in simple written form.

The State Committee of the Russian Federation on Managing State Property approves standard formats for protocols on results of a private subscription and trading in agreement with the Commission on Securities and Stock Exchanges under the president of the Russian Federation.

3. The holder of the register of shareholders of a joint stock company is not permitted to refuse to make entries in the register except in cases established in the legislation of the Russian Federation.

Refusal to enter a note on the register of shareholders can be complained of to a joint stock company's auditing commission, a court, or the arbitraton court. Upon a decision by the auditing commission, court, or arbitration court, the keeper of the register of shareholders is obliged to enter the appropriate note on the register within two days of receipt of the decision.

The keeper of a register of shareholders is obliged upon demand by a shareholder to confirm his ownership right to shares by issuing an extract from the register. An excerpt from a register of shareholders is not a security and its transfer from one person to another does not mean the conclusion of a deal and does not transfer ownership right to shares.

The rules for keeping a register of shareholders and entering notes on the register, and also the approximate form of extracts from a register of shareholders are established by the Russian Federation presidential Commission on Securities and Stock Markets.

4. The register of a joint stock company's shareholders is kept by the joint stock company itself or, at its instruction, a bank, investment institution (apart from investment consultants), a depositary, or also a specialized registrar whose job is exclusivelly concerned with keeping the registers of shareholders of joint stock companies on a commercial basis. Joint stock companies with more than 1,000 shareholders are obliged to entrust the keeping of the register of shareholders to banks, investment institutions (apart from investment consultants), depositaries, or specialized registrars.

Specialized registrars are created in accordance with Russian Federation legislation on enterprises and enterprise activities.

5. The keeping of a register of a joint stock company's share holders is to begin no later than one month after the state registration of the joint stock company.

If a register of shareholders in a joint stock company, created during the privatization process, is not begun

within the time period indicated, the appropriate committee for managing property, as a founder of the company, concludes on behalf of the company an agreement on keeping the register of shareholders according to the procedure and on the timescale envisaged in this decree.

Registers of shareholders can be stored on paper or electronically. At the same time, the original of the register of shareholders in a joint stock company is kept on paper and certified by the signatures of two officials and the seal of the register's keeper.

6. An entry onto the register of shareholders in a joint stock company of a new owner of shares who has acquired the appropriate rights, is made at his demand or the demand of his official representative on the basis of documents confirming the acquisition of ownership rights to shares no later than three days after they are presented.

The making of an entry on the register of shareholders of an owner of shares who has acquired the appropriate rights as the result of a transaction concluded without the involvement of investment institutions (apart from investment consultants) and/or a depositary is the registration of the transaction.

The registration of transactions is also undertaken by banks, investment institutions (apart from investment consultants), and depositors for transactions concluded with their involvement. Banks and investment institutions (apart from investment consultants) are obliged upon demand from the acquirer of shares within three days of the conclusion of a shares transaction registered by a given bank or investment institution to transfer the given registration to the keeper of the register of shareholders in accordance with its agreement with the joint stock company or the shareholder.

7. The keeper of a register of shareholders in a joint stock company is obliged upon receipt of a written instruction from the company or a shareholder to enter on the register of shareholders information on the nominal holders of shares. The appropriate property funds, banks, investment institutions (apart from investment consultants), and depositaries which carry out shares transactions on behalf of and at the instructon of a joint stock company and/or shareholder and represent the interests of a joint stock company and/or shareholder at their instruction can be nominal holders of shares in accordance with Russian Federation legislation.

8. That it be established that where there is an increase in the company capital:

of a joint stock company founded in the course of a privatization, a share issue is carried out only after the transfer and/or sale of more than 75 percent of the shares in accordance with the legislation of the Russian Federation on privatization;

of an open-type joint stock company (apart from cases indicated in paragraph 2), the share issue is carried out only after a general meeting of the shareholders of the joint stock company has approved the results of the previous issue, the alterations linked to the increase in company capital in correspondence with the actual volume of shares sold have been entered into the company's regulations with due consideration for the results, and unsold shares have been cancelled.

9. That it be established that the sale and transfer of other form of shares which are part of the company capital of a joint stock company are only possible after the company capital of the given joint stock company is reduced according to the procedure established by the legislation of the Russian Federation by the sum of the proposed sale (transfer). Where the aggregate nominal value of the shares transferred to its company capital is reduced, the joint stock company is obliged either to reduce its own company capital within two months or to make it up to its declared value.

10. With the aim of ensuring openness in the functioning of the securities market, the Russian Federation Ministry of Finance and the Russian Federation State Committee on Managing State Property are to ensure that data on all registered investment funds is published monthly.

[Signed] B. Yeltsin, president of the Russian Federation
[Dated] The Kremlin, Moscow, 27 October 1993 (ITAR-TASS, 28 October)

Yeltsin Issues Edict Implementing Privatization

LD3010154693 Moscow ITAR-TASS World Service in Russian 1208 GMT 30 Oct 93

[Text] Moscow, 30 Oct (ITAR-TASS)—The text was circulated today of the Russian Federation president's edict on the procedure for implementing the Russian Federation president's edict No. 1267, dated 19 August 1993: "On Features of the Privatization and Additional Measures of the State Regulation of the Activities of Enterprises in the Defense Sectors of Industry".

The document says:

1. It will be established that:

The Russian Federation president's edict No 1267, dated 19 August 1993, "On Features of the Privatization and Additional Measures of the State Regulation of the Activities of Enterprises in the Defense Sectors of Industry", comes into force on the date of signing of the present edict;

The time limit for implementation of the measures envisaged by the Russian Federation president's edict No. 1267, dated 19 August 1993, is 20 November 1993.

2. The present edict comes into force from the date of its signing.

[Signed] B. Yeltsin, president of the Russian Federation
[Dated] The Kremlin, Moscow, 29 October 1993

Chernomyrdin Signs Decision on Work on 8 Nov

LD3010102693 Moscow ITAR-TASS World Service in Russian 1003 GMT 30 Oct 93

[Text] Moscow, 30 Oct (ITAR-TASS)—Viktor Chernomyrdin, chairman of the Council of Ministers, the Government of the Russian Federation, signed on 29 October a decision "On the working of individual enterprises and building sites on 8 November 1993." It says:

"The Council of Ministers, the Government of the Russian Federation, resolves:

"To instruct the central organs of federal executive power, the organs of executive power of the components of the Federation, and the heads of enterprises and building sites that are supplied with labor, material, and financial resources, to organize work on 8 November 1993, in accordance with labor legislation, through the procedure and on the conditions laid down by Articles 63 and 64 of the Code of Labor Laws of the Russian Federation."

Chernomyrdin Discusses Nonpayments With Gazprom

LD0111145393 Moscow INTERFAX in English 1359 GMT 1 Nov 93

[Text] Russian Prime Minister Viktor Chernomyrdin discussed in Moscow Monday [1 November] financial problems with leaders of the joint-stock company Gazprom involving gas-producing businesses. As of November 1, the debt to Gazprom amounts to 1.4 Tn [trillion] rubles, including 500 Bn [billion] rubles by Russian consumers. Among former Soviet republics, Ukraine has the largest debt—400 Bn rubles.

Leaders of gas-producing businesses said that owing to slow receipt of money, workers at some businesses have not received their pay for three months, which has already begun to cause social tensions. They have not ruled out harsh measures against non- payers, including cuts in gas supplies.

Chernomyrdin has promised to sustain Gazprom. He said, though, that no exceptional conditions will be provided for the company. The system of payments should be improved throughout the country.

Speaking about mutual payments between the republics, the prime minister did not rule out issuing additional credits to Ukraine. These, however, will be offered on the condition that repayments will go directly to Gazprom.

Chernomyrdin made it clear he was against cuts in gas supplies to Ukraine because it does not repay its debts. He said that Russia would continue gas supplies to Ukraine.

The Gazprom leadership has said that despite current financial difficulties, the company intends to increase gas production by 17 billion cubic meters. This year the company is expected to extract 620 to 630 billion cubic meters of gas.

Comments on Ural Republic Proclamation

LD0111150593 Moscow INTERFAX in English 1359 GMT 1 Nov 93

[Text] Prime Minister Viktor Chernomyrdin denounced the Sverdlovsk Region Council for proclaiming the Ural Republic at its session last week. "For me there is no such republic, and we shall have nothing to do with it, even if the feelings of some people will be hurt," Chernomyrdin said on Monday [1 November] at a conference with the leaders of Russia's gas extracting associations. Russia's government only recognizes Sverdlovsk, Kurgan, and other regions, he said.

According to the premier, "only certain individuals who want to play the role of president, the role of big boss, and not the people of Sverdlovsk Region, are interested in establishing a Ural Republic."

"I know what the president thinks about it. There will be no Ural Republic," said the prime minister.

In connection with the attempts to establish separate republics in Russia's territory, the prime minister referred to the sad experience of the Soviet Union's break-up, when the unified economic mechanism was disrupted, and the former Soviet republics were bogged down by their economic and ethnic problems.

Now some former Soviet republics have already hinted that they want to join Russia on certain conditions, Chernomyrdin said. However, a decision on this will have to be made "by the people of Russia, not by Chernomyrdin or someone else," he said. For the time being, he added, "we will neither admit nor release anyone."

Outlines Election Position

LD0111222493 Moscow Ostankino Television First Channel Network in Russian 2112 GMT 1 Nov 93

[By correspondent Sergey Omelchenko; from the "Novosti" newscast]

[Text] [Announcer] Russian Prime Minister Viktor Chernomyrdin has been nominated as candidate deputy to the State Duma in Novyy Urengoy by the workforce of the Urengoy gas recovery production association.

[Omelchenko] We have no need in our parliament for loud-mouths or incompetents. It will be a bad thing if right-wingers come to power and even worse if left-wingers do. People in the center of the political spectrum are needed. This was how Viktor Chernomyrdin described his position at the forthcoming elections, speaking at a working meeting at the Gazprom joint-stock company.

Recalling the classic adage that politics is economics in concentrated form, the prime minister thinks that current state policy cannot be separated at all from the current political struggle. After all, he is sure that the economy will come into its own, provided there are no profound upheavals in the nearest future.

Chernomyrdin endeavored to convince his former colleagues—the Gazprom activists—of this, insisting, above all, that uncompromising financial policies are essential. He noted that the government intends to defray only 4.6 trillion out of the 17 trillion rubles' worth of budget deficit, the budget expenditure being correspondingly cut to take care of what remains.

However, key industries, according to Chernomyrdin, will be prevented from going bankrupt. This, regrettably, is the reason why it will not be possible for the time being to bring inflation down to 10 percent, the prime minister noted.

Chernomyrdin's credo in this situation is to prevent the process from becoming exacerbated and to control it. The introduction of settlements between enterprises based on promissory notes is an example of this. In Chernomyrdin's view, this system ought to reveal the genuine bankrupts.

Moreover, the government's uncompromising financial stance ought to show creditor countries that Russia is still capable of paying off its debts. However, the foremost and most urgent debt—1.5 trillion rubles—is owed to one's own people, the countryside folk. In order to help the country cope with its problems, Chernomyrdin advised the gas workers to attain what in his view is a quite realistic target and to increase fuel extraction to 145 billion cubic meters.

Aide Defends Edict on Land Assignment, Ownership

PM2910132793 Moscow IZVESTIYA in Russian 27 Oct 93 First Edition p 2

[Yelena Yakovleva article: "Private Ownership of Land Is Finally Confirmed"]

[Excerpts] As we have already reported, the president's edict "On Regulating Land Relations and the Development of the Agrarian Reform in Russia" has been prepared. The economist Andrey Lazorevskiy made a sharp criticism of the draft edict in our newspaper (see IZVESTIYA No. 203). We are today giving the other side a chance to reply, but first of all I will remind you of the question's history. [passage omitted]

Citizens of Russia are being introduced to real land ownership rights through this, Aleksandr Kalinin, leader of the government apparatus department of the agro-industrial complex, told us. They will receive a document confirming their right to a certain share of land. They can sell, lease, or mortgage this share. The owner's wishes are the law (within certain civilized limits, of course), but the forcible division and assignment of a "physical" share to each individual from above represents pressure and arbitrary behavior on the part of the authorities which is in no way justified. The collectively shared property which drew Lazorevskiy's criticism is unavoidable, although some people may find it unpalatable. This is a transitional form of ownership which lies between state collective and private ownership of land. Of course, "complete private ownership" sounds so much more attractive, but to imagine that it can be established by a government decision is utopia. The peasants will go from collective to private ownership not by order of the president or the government, not by coercion, but only of their own accord. What is more, if you look at the matter realistically, you have to admit that people in many farms simply do not have the means of earning their daily bread if they do not work together.

If you try to out-pope the pope you will come unstuck. Lazorevskiy, in criticizing collectively shared ownership, which is in his view feudal, and in demanding a physical share of land to be assigned to peasants, is, however strange it may sound, annulling any future prospects for private ownership itself, for private farming. From the standpoint of formal logic he would seem to be right: A share of land which has actually been assigned, measured out, has more weight than a document certifying that someone has the right (even an unequivocal right) to have land assigned to them, but suppose that shares of land have been assigned to all peasants, whether or not they wished this to happen. Then one of them decides to become a private farmer: He will not, as a rule, be able to organize the efficient production of commodities on his 5-10 hectare share of land—he will have to buy or lease shares of land from retired kolkhoz members. Let us assume that he is lucky and wins over 20 pensioners and as a result he gets hold of 20 plots of land in various locations. It will prove more difficult to piece them together than to make parallel lines intersect in Euclidean space. The existence of physical shares will lead to a genuine shortage of arable land and to strip farming, putting Russia's peasantry well and truly back in the 19th century.

However, it will be possible to make a final appraisal of the new steps in the agrarian reform when the government prepares and confirms statutes on land transactions, on competitions and auctions to sell off plots of land, and on taxing the sale of land and other land transactions.

'Radical' Land Tenure Edict Still Has Drawbacks

PM0111170793 Moscow ROSSIYSKAYA GAZETA in Russian 29 Oct 93 First Edition p 1

[Aleksandr Velichenkov "commentary": "Owners Return to the Land. What Kind of Owner Remains To Be Seen"; published under trailer which reads "You can read on page four the Russian Presidential Edict 'Regulating Relationships on the Land and Developing Agrarian Reform in Russia'"]

[Text] In a certain sense the document amalgamates basically distinct legislative and normative acts issued earlier. At the same time it has an extremely radical character with regard to individual owners, allowing any transactions permitted by civil law to be carried out with land as with property. This applies equally to juridical persons—industrial enterprises. At the same time, the sections devoted to kolkhoz-sovkhoz ownership do not forcibly create conditions for the accelerated destruction or conversion of agricultural enterprises, allowing them the possibility, as it were, of drifting into the market gradually.

Unlike the previous practice, an absolutely definite time scale is given for the procedure of registering the right of ownership to a plot or a share of land (allotment). The paragraph about the abolition from 1994 of compulsory deliveries and other forms of forced requisition of agricultural produce for state resources looks extremely radical. This means an unequivocal switch to an open market in agricultural produce. So how does the current monopolist—Roskhleboprodukt—feel about this step? The retention of its monopoly costs both the state and the consumer dear. The mistake over the 1993 grain crop prices whereby state purchasing prices turned out to be higher than the free prices on the exchanges should not be reproduced in the future.

At the same time opportunities are opened up both for the speculative use of land, especially for individual housing construction, and for the use of land as an anti-inflationary haven, that is to say the acquisition of land without the intention of using it productively. Land speculators are already hanging on their banners the slogan: "Buy land—no one makes it."

Negative elements can be seen in any reformist step, but it does not therefore follow that we should not carry out reforms, and negative consequences can always be modified by legislative and economic measures. For example, extra taxes can be put on the resale of land or compensatory taxes can be introduced—on large estates, or in the event of the absence of an intention on the owners' part to use the land productively.

The edict somewhat lessens the significance of the use of land as a lifelong, hereditable possession. This form of possession is extremely popular in Europe and has some positive aspects. The usual name given to this form of land tenure is a "building tenancy" or "building tenancy in perpetuity." It is most often used in cities, since it does not allow land to be put on the market and obliges its owner to use the land according to its direct purpose. At the same time the person building on the land is not burdened by redemption pay,nents, paying only an annual tax. Moreover, the buildings themselves can be sold on the market at their real value, but the plot of land cannot itself be sold, mortgaged, exchanged, submitted by way of payment, and so forth.

Even this method of possession of land is not without its drawbacks. The actual land user has only to dig a hole or put a couple of foundation stones together, and he can sell the incomplete building at a price close to the cost of the land. At the same time, the absence of these plots in normal circulation inflates prices on redeemed land. Not every purchaser will risk acquiring plots of land with such a status.

Varied Reactions to Edict on Land Sale Cited

PM2910133793 Moscow ROSSIYSKIYE VESTI in Russian 29 Oct 93 p 1

[Roundup of reactions under the general heading: "Land Has Been Taken Out of the Grips of Soviet Power and Placed in the Hands of the Private Owner—Russian Federation President Boris Yeltsin Has Signed an Edict 'On Regulating Land Relations and Developing Agrarian Reform in Russia'"]

[Text] Vladimir Bashmachnikov, president of the Association of Russian Peasant (Private) Farms and Agricultural Cooperatives: We have been waiting for this edict for a long time. It is in the interests of farmers. Credits for those wishing to farm autonomously were always a tricky problem. The farmer obtained land, then the bank would refuse credit. A security was needed. Now it has appeared. This is a major plus in the development of private farming.

The land plots obtained by people wanting to be autonomous farmers are very small. And a lack of land prevents farmers from developing. Now anybody seeking to enlarge his farm can lease or purchase a share of land from his neighbor.

Some fear that the edict will destroy the kolkhozes and sovkhozes. Nothing of the sort. It will only accelerate the formation of autonomous cooperatives, as each collective farmer's right to a plot of land will be confirmed not just verbally, but juridically.

Likewise I do not think that fears about selling off land are substantiated. The edict restricts its sale and purchase. For instance, foreigners cannot purchase land. It is only possible for them to lease it. Then again, the land being purchased has a specific purpose. If it is an arable field, then cottages cannot be built on it.

Mikhail Lapshin, chairman of the Russian Agrarian Party: The edict was prepared without reference to the agrarians. I consider this a huge minus. The Agrarian Party is neither against private ownership nor against the sale and purchase of land. It is just that we are in favor of all this being legislatively regulated.

I believe that it is necessary to decide a question as sensitive and tricky as the land question not by edict but by law. And this law should be adopted by the newly elected State Duma.

Yuriy Chernichenko, chairman of the Russian Peasant Party: Economic revival has always begun with the agricultural sector, and our party therefore welcomes the appearance of this edict.

It is too soon to be sure that everything will go smoothly. Land will only transfer from unskilled workers to more solicitous hands if there is a third force between the kolkhoz chairman, the sovkhoz director, and the peasant—namely the government. Otherwise the old woman, the pensioner will never be free of the authority of the all-powerful administrator.

Unless there is a powerful agrarian lobby in the State Duma, then this good and necessary edict may end up as just a distant memory.

Our Information: The free sale of cultivated and private plots was permitted under the "Fundamentals of Land Legislation" adopted in July 1993 by the parliament. As for land designated for agricultural use, the free sale of this emerged in recent years as a subject of fierce debate between the supporters and opponents of the radical reform of Russia's agrarian sector. Until recently the sale of agricultural areas was restricted by the very same "Fundamentals of Land Legislation," which envisaged a 10-year moratorium on the sale of lands obtained as private property free of charge and a five-year moratorium for those lands purchased from the state.

Supporters of the expansion of the land market believe that lifting restrictions on the sale and purchase of land is the only chance to ensure the rational redistribution of lands in the interests of more efficient farms and of sparing the countryside the problem of land-hunger. At present, the average area of a farm-holding in certain regions of Russia is less than 15-20 hectares, which does not allow for efficient agricultural production.

Deputy Chair Defends Central Bank Actions, Gerashchenko

PM2910141193 Moscow ROSSIYSKAYA GAZETA in Russian 22 Oct 93 First Edition p 3

[Interview with Aleksandr Khandruyev, deputy chairman of the Central Bank of Russia, by Vladimir Kucherenko; place and date not given: "Does the Central Bank Have A 'Slush Fund'?"]

[Text] [Kucherenko] In recent times the Central Bank has again become the object of, to put it mildly, unpleasant remarks in the mass media. If you don't trouble to search for proofs for the various passages, a clear impression is formed that, following the fall of parliament, the Central Bank has become virtually the main stronghold of the opposition.

Surely we are not again witnessing a battle between chief bankers and the government, like the one which flared up in the spring between Central Bank Chairman Viktor Gerashchenko and Finance Boris Fedorov?

[Khandruyev] Our confrontation with the government is a myth. You often hear: Instead of occupying himself with maintaining the stability of the ruble, his direct responsibility, Gerashchenko is trying to rescue the state production sector and whipping up inflation. I will take it on myself to state this: We issue subsidies only on the decision of the Committee for Credits Policy, and even then not directly to specific enterprises, but to the budget and commercial banks for targeted programs confirmed by the government. For conversion, for example. Thus in the last quarter we were asked to grant the government 4.6 trillion rubles [R] and the banks R2 trillion. That we are convinced that a stable ruble is impossible without a serious attitude to production, and do not try to hide this opinion, is quite another matter. But to accuse us of carrying out a parallel policy at odds with the government and of directly supporting enterprises with credits is to abandon oneself entirely to the realms of fantasy.

Since 24 May, when the joint statement with the Finance Ministry was signed, we have kept within its bounds. In the second quarter of the year we did not exceed the limits on the issue of credits fixed by the agreement. In the third quarter they had to be raised, because insufficient account had been taken of seasonal factors—the need to transport goods to the Far North and for field works. However, everything was done only after decisions from the Council of Ministers and the Commission for Credit Policy.

[Kucherenko] However, in the eyes of the public the opinion of Andrey Illarionov, the prime minister's adviser, and of Sergey Vasilyev, who heads the Council of Ministers Working Center for Economic Reforms, embodies the opinion of the government; and these gentlemen recently accused the Central Bank virtually of sabotage.

[Khandruyev] If they pretend to the role of expressing the opinion of the Council of Ministers, let them say on what basis their conclusions are drawn. After all, as far as I know, they still draw their information from the State Committee for Statistics and the Russian Federation Government Center for the Current Economic Situation. Where do they get their categorical claim that, owing to the exchange of bank notes, production fell by 5 percent in August? In fact our economists are still fighting over the determination of the exact volume of production, and so far no one has proved mathematically what role is played in the slump by the increase in energy prices and what by the volume of credits issued and the budget deficit. Let Illarionov and Vasiliyev perform this task: We will thank them warmly for an objective picture and amend our policy accordingly.

[Kucherenko] Then let us turn to the charges that have been leveled against you of engaging in provocations with the alleged aim of discrediting the president. For example, to the fact that you did not report on the progress or the results of the exchange of old banknotes for new.

[Khandruyev] That is not true! Everyone knew in advance about the action that was being prepared. Reports were sent to the Supreme Soviet, the Council of Ministers, and Yeltsin's apparatus 5 August and to parliament and the government 13 September.

[Kucherenko] Nevertheless, according to your opponents, the bank note exchange did not produce the planned separation of Russia's credit and finance system from our neighbors in the ruble zone, and we are continuing to supply neighbor countries with cash for free, subsidizing them at the expense of our own people.

[Khandruyev] If you like, our systems actually were separated, and it was this that prompted several nearby foreign states to hold talks with Russia and to sign, on 7 September, an agreement on a new type of ruble zone. Today, this time in bilateral negotiations, the finer points of currency and financial cooperation are being perfected. Of course, there are difficulties: Russia has already gone over to its own currency, but some of our neighbors have not. Kazakhstan and Tajikistan, for example, are obliged to keep 1961-1992 banknotes in circulation. We supply them with cash, but we act strictly within the framework of intergovernmental agreements and with the knowledge of the Council of Ministers.

Protocol No. 15 of the Commission for Credit Policy's session of 24 May fixed a limit of R800 billion to share out among the countries. In sending cash, we go on these figures. Illarionov keeps complaining: They have sent R50 billion to Uzbekistan. But after all, the limit for that country is R120 billion. And we don't mind how they take this credit—in cash or in oil and gas deliveries. At the same time let me note that the notorious R50 billion is only 0.7 percent of the money supply in Russia. Can we call this a subsidy to the Uzbek economy and still remain within the bounds of common sense?

[Kucherenko] Fine; then how about the claim that while the money exchange was being carried out in the Russian Federation around R1.5 trillion in cash "broke through" from outside, reducing Russia's commodity reserves by one-half in August and increasing inflation by almost 20 percent?

[Khandruyev] This information is either false or misinterpreted. According to expert assessments, there were in Russia between R250 billion and R300 billion in USSR State Bank notes. These old notes, including Russian bills, were exchanged for R2.9 trillion within the borders of the USSR as a whole. R1.2-1.4 trillion out of the total were exchanged within Russia. It is impossible to say more exactly, because it is incredibly difficult to account for cash—people are permanently crossing Russia's borders with it, and some commercial firms also work exclusively with cash. Incidentally, more dollars circulate outside than inside the United States, and it is impossible to say exactly how many "greenbacks" there are within a particular country.

So, by 7 August we had exchanged R1.4 trillion; but the process of easing the withdrawal of the old banknotes led to an additional R400 billion being exchanged. Even if it is allowed that all these rubles came from the foreign countries closest to us, they certainly do not make up Illarionov's 1.5 trillion. This is only 5 percent of our total money supply in Russia. Is it enough to buy up one-half of the commodity reserves? Is it possible to substantially pump up the inflation figure for August? Let me remind my critics that at the end of July transport tariffs increased fivefold, and in the following month the price of energy increased 120 percent.

[Kucherenko] Probably the most terrible accusation leveled at you is the claim that the Central Bank withdrew 3 trillion more in the old money than it issued in the new. Hence government advisers keep harping on that Gerashchenko had set up a "slush fund," from which he was financing God knows what or whom. Now IZVESTIYA has published a sensational report alleging that you supplied the rebel parliament, Rutskoy and Khasbulatov, with R600 million in cash.

[Khandruyev] Whoever shared this "incriminating" information with IZVESTIYA is light-fingered. Isn't it surprising that the president and the government are saying nothing about this? That is because they know that the Finance Ministry carried out the payment, and the bank was acting only as an agent. As for the events of 3-4 October, it was we who suggested to the government the solution of the question. I won't say anything more to you but, if necessary, the president will receive a detailed explanation!

On the subject of the celebrated "slush fund," let me remark that our critics are mixing up concepts such as circulation and balances. You see, there is a gigantic sum of money in circulation, and the processes of issuing and withdrawing money go on side by side. Money in circulation and balances should not be lumped together. That is equivalent to a crafty inspector's adding your salary and your monthly expenditure together, and accusing you of under-declaring your income by 50 percent!

[Kucherenko] However, you are also accused of sabotaging the 23 September government decree raising the refinancing rate to 200 percent per annum.

[Khandruyev] Here is the decree. It says here: "beginning from 22 September." There is no specific time frame. So we are doing this gradually, so as not to destroy the interbank credits market and to allow enterprises and commercial banks to adapt.

[Kucherenko] And the Central Bank's ban on the circulation of hard currency in cash from 1 January? Will this not scare away foreign investors, as Sergey Vasilyev claims? Will it not provoke a flight of capital from the country?

[Khandruyev] This is a civilized practice, and the mildest version of it at that. In Austria or Poland you are simply obliged to change freely convertible currency into local currency at the market rate, and then you can go shopping. Of course, the volume of local currency in

circulation is thereby increased, but it is backed by dollars or marks. With us joint ventures and other enterprises can all keep their currency accounts, and there is no ban on citizens' hanging on to their freely convertible currency. They will be able to go abroad having not more than 500 dollars. And this is being done in accordance with the law on currency regulation.

[Kucherenko] As a rule a wave of criticism against the Central bank presages certain changes. Do you not think that the government, to which the Central Bank is subordinate, is preparing to replace Gerashchenko?

[Khandruyev] The Central Bank is not subordinate, but accountable to the cabinet. As Edict No. 1400 of 21 September says—until the formation of the Federal Assembly. And the fact that the chairman of the bank is a member of the government suggests only the joint elaboration of decisions. Replace Gerashchenko? As the saying goes, man proposes, but God disposes. Let me say only that the chairman, who took his post in July last year, formed his team only in August-September. Up to that time every effort had to be applied to eliminating the consequences of the "payments Chernobyl," whereby false promissory notes and "Rossiya" checks abounded in the country. At the same time Yeltsin's edict on carrying out the mutual offsetting of debts between enterprises had to be implemented. Right now, when order is with difficulty being restored, when instead of political "cavalier charges" we need professionalism, Gerashchenko's departure would mean the departure of competence.

Finance Ministry Accuses Central Bank of 'Disinformation'

PM0111120193 Moscow ROSSIYSKAYA GAZETA in Russian 26 Oct 93 p 3

[Unattributed report: "Ministry of Finance Clarification"]

[Text] In connection with the publication in the 22 October edition of ROSSIYSKAYA GAZETA of an interview with Central Bank of Russia Deputy Chairman A. Khandruyev, the Russian Federation Ministry of Finance announces that this interview contained a number of facts indicating a deliberate public disinformation campaign.

1. Despite his mention of the Credit Commission, the Central Bank of Russia granted significantly increased loans during the period July-August 1993, for example to the agro-industrial complex, without a decision by the commission and in fact bypassing the commission. On 30 August alone in Protocol 19 the commission noted that the volume of credit being granted was wrong and brought the quotas into line with the actual state of affairs. The Central Bank, parliament, and certain sector departments must therefore assume all responsibility for giving ground in the battle against inflation during the third quarter.

2. It is disinformation to claim that everybody knew beforehand about the money exchange that was being prepared. The Ministry of Finance knew nothing about this operation; it has explained its position on a number of occasions, and does not intend to share responsibility for the operation with the Central Bank of Russia.

3. It is a distortion of the facts to cite Protocol 15 issued by the Credit Commission 24 May 1993, which allegedly authorizes the transfer of 50 billion rubles [R] in cash to Uzbekistan. The Central Bank of Russia deputy chairman is feigning ignorance of the intergovernmental agreement with Uzbekistan dated 21 May 1993, in the protocol to which the Uzbek Cabinet of Ministers distributed the entire sum of the loan among specific commodity supplies and which says nothing about a delivery of cash in the form of a loan.

4. It is disinformation to mention Ministry of Finance money orders in the matter of a R600-million disbursement in cash to the Supreme Soviet.

First, following publication of the president's edict of 21 September 1993, the Ministry of Finance drew up no payment documents for the credit of the former Supreme Soviet and authorized no payments in respect of documents drawn up beforehand.

Second, the Ministry of Finance possesses a document signed by V.V. Gerashchenko notifying the government that the Central Bank of Russia issued check NR611263 dated 22 September in the sum of R600 million in cash to the Supreme Soviet, and in addition carried out transfers of a number of other sums. It also has documentary evidence about the disbursement to the Supreme Soviet of large cash sums 24 September 1993.

The Russian Ministry of Finance regrets that the country's population is being systematically misled at a time when there is a great need for unity of all state structures in order to overcome the economic crisis.

The Russian Ministry of Finance has proposed to the chairman of the government that an inspection of the Central Bank of Russia be carried out in connection with the publication of a number of negative facts about the activity of the Central Bank of Russia, because this is extremely prejudicial to Russia's prestige.

Finance Ministry Asks for Audit of Central Bank

MK3010133093 Moscow SEGODNYA in Russian No. 72, 30 Oct 93 (signed to press 29 Oct) p 3

[Vasiliy Zyablik report under the "Scandals" rubric: "Finance Ministry Suggests Russian Central Bank Be Audited. Reasonably So"]

[Text] The Russian Federation Finance Ministry has sent a letter to Prime Minister Viktor Chernomyrdin suggesting that an audit of the Russian Central Bank's activity be undertaken "in view of negative facts that have been made public." The Finance Ministry also said

that the Central Bank misinformed the public by claiming that it had financed the rebellious Supreme Soviet with the consent of the Finance Ministry. Russian Central Bank chiefs cited the ministry's payment orders for appropriating 600 million rubles to the Russian Supreme Soviet on 22 September, but the Finance Ministry denies this. At the same time, officials from Boris Fedorov's office asserted that they had documented evidence proving that the Central Bank granted the parliament large amounts of cash on 24 September.

In addition to the facts about the Central Bank's "activity" which were mentioned in the Finance Ministry's letter, reports for the past few months, according to ministry officials, testify to the existence of a "slush fund" at the Central Bank and also cash deliveries to the so-called "neighboring" countries that have not been approved by the Finance Ministry. Another fact that is yet to be investigated is the decision made by the Central Bank's board of directors in July 1993 at Supreme Soviet prompting to keep two-thirds (around 300 million rubles) of profits, a major part of which was spent on paying multi-thousand ruble benefits to the bank's officials. In the past few months, a whole series of incidents proving the Central Bank's dubious activity has been disclosed, which probably would have been sufficient to justify not only an audit, but also an automatic removal of a Central Bank chairman from office. In any other country but Russia.

Russia's "uniqueness" gives the Central Bank the possibility to be a state within a state. For instance, to have its own political viewpoint: It is small secret that two Central Bank deputy chairmen were involved in drawing up the Supreme Soviet's 21 September decision on halting the financing of the executive bodies of power. Viktor Gerashchenko, who is a member of the Council of Ministers, thinks it possible to state that the Russian Government does not have any economic policy whatsoever and, citing this, to hand out cash to former Union republics in violation of all existing regulations—and, according to Finance Ministry information, to grant credits to the agro-industrial sector above the established limits. Although it was subordinated to the government, the Russian Central Bank may even now permit itself to decide on its own whether or not it should give statistics to the Finance Ministry. SEGODNYA planned to publish the Russian Federation draft budget for 1994, but as the Central Bank did not present statistical reports for September to the Finance Ministry, work on drawing up the draft budget was paralyzed.

Viktor Chernomyrdin's reaction to the Finance Ministry's request that an audit be carried out has not yet been known. The "audit" itself does not appear to be a simple task, either—the Central Bank can keep its secrets. It is well known that Coopers and Lybrand had audited the Central Bank for a number of months. This exercise resulted in the conclusion about "a high degree of unaccounted amounts" in the Central Bank's statements.

Central Bank Denies Contradictions With Yeltsin

LD0111134593 Moscow ITAR-TASS in English 1213 GMT 1 Nov 93

[By BUSINESS-TASS]

[Text] Moscow November 1 TASS—The Central Bank of Russia has rejected the interpretation by the "ASSOCIATED PRESS-Dow Jones" agency of an interview with the Chairman of the Central Bank of Russia Viktor Gerashchenko published by the NEZAVISIMAYA GAZETA on October 28.

In particular, the agency interpreted Gerashchenko's statement about the economic policy pursued by the government as an example of contradictions with Russian President Boris Yeltsin.

"There was no talk about contradictions with Boris Yeltsin and criticism of the president" in the interview, the Central Bank said in an official statement on Monday.

"The Central Bank of Russia has its own vision of Russia's economic and financial problems and ways of their settlement, which is only natural, but does not mean there is confrontation between the bank and the president," according to the statement.

Gaydar Interviewed on Economic Priorities

LD3010171093 Moscow Mayak Radio Network in Russian 0130 GMT 30 Oct 93

[Text] Much is presently being said of the fact that Russia's present government has become a provisional one until the Federal Assembly elections and that the government's course needs to be adjusted. What then is the view of Yegor Timurovich Gaydar, Russia's first deputy prime minister? He was asked about this during an interview.

[Begin recording] [Unidentified correspondent] Yegor Timurovich, what under the new conditions is the top priority in the government's work, and will the Federal Assembly be presented with some kind of new economic program or will the old program be adjusted?

[Gaydar] However dismal it might seem, the main short-term task at present remains the same as before: it is to sharply reduce the rate of inflation. A situation of high inflation of up to 20 percent a month cannot be a stable one. Either it will lead to the collapse of monetary circulation or else to fairly vigorous anti- inflationary efforts. In my view, if we do not solve this problem within the next few months and achieve radical progress in lowering the rate of inflation, all the rest of what is being said about increased production, social protection, taxes, and everything being supported by entrepreneurship is simply idle talk.

The most important long-term task, I think, is the creation of a reliable legal base for private enterprise and

private ownership; that is, the reform of the law to make it possible for these relations to become clear-cut, proper and securely protected. Without this Russia has no economic way forward.

With respect to what our working program will be: well, evidently there will be a new parliament and a new government. In my opinion very much of that contained in the working program of the present government simply corresponds to the country's objective tasks and should be implemented. The government should not so much present a new 28th program as present a set of key fundamental legislative acts, normative acts, safeguarding the foundations of the present economy. For instance, the presentation of a timely and sensible civil code for parliament's consideration might be of almost no less importance than the presentation of a program.

[Correspondent] Yegor Timurovich, what is your vision of the deputy in the fundamentally new parliament?

[Gaydar] He will be a person who can legislate and who understands the logic of the budgetary system, who in discussing problems in parliament thinks of the interests of Russia and not only about the interests of the tiny group that selected him, who does not run around government offices with the mandates of his voters but concentrates seriously on the creation of the basic legislation essential for the revival of the economy, and who does not shift from one group to another. If so, God grant that he is not given a post in government. [end recording]

Article Views Restrictions on Exports

PM0111130993 Moscow IZVESTIYA in Russian 29 Oct 93 First Edition p 2

[Aleksey Portanskiy article: "Green Light for Russian Exporters"]

[Text] The previous issue of IZVESTIYA published an INTERFAX report that the Russian Government has prepared a decree "On Measures To Liberalize Foreign Economic Activity" envisaging a considerable reduction in the list of licensed export goods. It has been ascertained that this document will be published any day now.

In 1993 there were no longer any restrictions on the export of ferrous metals and articles made from them. Under the decree the export of timber, coal, and a number of nonferrous metals is being freed next year, but the special exporter system is being retained for strategically important materials. Quotas and licenses will operate in respect to oil and the products from refining it.

The liberalization of foreign trade is by no means an end in itself. In the current complex conditions, increasing exports is the most important means of overcoming the economy's structural crisis. The lifting of restrictions in foreign trade, like price liberalization, is for the first time creating natural financial rather than artificial administrative guidelines for enterprises' conduct because now the real expenditure on all goods will have to be considered.

Will the liberalization of foreign trade not lead to the latest "sellout of the riches" of our country? There should be no grounds for these kinds of fears. Practice has shown that the administrative regulation of exports has completely failed to save us from the illegal export of valuable resources—there have been enough examples of violations and abuses during the setting of quotas and the issuing of licenses.

The state is taking specific measures to strengthen control over exports in connection with the lifting of restrictions in foreign trade. Oleg Davydov, Russian Federation minister of foreign economic relations, said in a conversation with your correspondent that a unified automated export control system is now being created in which the State Customs Committee, the Ministry of Foreign Economic Relations, and the Central Bank are participating.

The decree liberalizing foreign economic activity will, of course, open up new opportunities for specific producers. However, it will hardly affect some exporters' activity—they themselves have already reached the real market.

"We have sold our products abroad without restriction this year as well," I was told by Sergey Perin, director of Moscow's Solovyev Hard Alloys Combine, which has become a joint-stock company. "We have not even used our license fully. It is not so easy to forge ties, to find a suitable purchaser. We are therefore actively participating in exhibitions and international meetings and seeking clients."

Russia is striving toward equal economic relations with other states, demanding fair access to world markets from the West. The liberalization of foreign trade is a necessary step toward being included in the world economic community.

Deputy Minister on Prospects for Bills of Exchange

PM0111135393 Moscow ROSSIYSKAYA GAZETA in Russian 27 Oct 93 First Edition p 3

[Vladimir Kucherenko report: "Bankruptcy for the Elite"]

[Text] Deputy Finance Minister Andrey Kazmin, author of the president's edict on the introduction of bills of exchange, predicts a brilliant future for them.

Bills of exchange as an instrument of payment were abolished in 1930 in the USSR, but were reintroduced in August 1937 for organizations working with foreign partners by a decision of the All-Russia Central Executive Committee. With the demise of the plan economy

came the time to reintroduce bills of exchange, which was done by a decision of the Russian Supreme Soviet dated 4 June 1991, and the methodological recommendations of the Central Bank which followed. The lack of a law on bankruptcy hindered this decision's implementation, but the necessary conditions are now in place.

The deputy minister believes that the return of the bill of exchange will make it possible to stabilize the situation in the economy and curb inflation. The flawed practice of 100-percent prepayment for goods and services supplied by enterprises will be ended, for example, because this generates a deficit of means of payment and "pumps up" the economy with money. In this situation, it is the enterprises with a complex and lengthy production cycle that suffer the most.

The edict stipulates that, after careful adjustment, all reciprocal debts of enterprises will be converted into simple standard financial bills of exchange by 1 January. Kazmin is sure that thanks to these, enterprises' debts will be reciprocally settled—but without the state's involvement and without inflationary credit injections—and up to 40 percent of the debt will thereby be paid off. Commercial banks are prohibited from discounting these bills of exchange, and they will not be offered as security for credits issued by the Central Bank.

As of 1 February it is planned that commodity bills of exchange which can be discounted for surety in banks and resold will be introduced. These will also be standard, but will have differentiated periods of validity in the different sectors of industry, taking their specific features into consideration. It is noteworthy that the sectors with long production cycles (such as capital construction or shipbuilding) will remain free from the effect of this financial instrument. In accordance with the edict, Central Bank territorial administrations will organize auction trade centers for these bills of exchange where everyone will be able to buy them, and those who have given up hope of receiving the arrears independently can sell them. When the validity period expires, the debtor is obliged to repay the borrowed funds to the bearer of the document, and the owner of the bill of exchange can defend his rights in court. If, however, the debtor does not have any money in his account, and the creditor holds documents accounting for 30 percent of the total indebtedness, then the creditor can extinguish the debt owed to him by taking the former's property and real estate.

Kazmin does not think it terrible that trade and financial circles which have accumulated enormous funds, sometimes not entirely by legal means, are buying up bills of exchange en masse. The fact that money is concentrated in commercial banks is normal, he said. He believes that the bills of exchange will rather force the trade network to settle accounts with production units for commodities supplied. Kazmin describes as exaggerated the danger of the "death of the voucher" and the beginning of the uncontrollable buying up of enterprises: From his point of view, the accumulation of reciprocal debts is far more dangerous, as this is liable to result in inflationary injections of money. Particularly since the vouchers' validity period has been extended to 1 July 1994.

It is noteworthy that at the moment people who have bought up liabilities cannot replace the leadership of a bankrupt enterprise, because, as the Ministry of Finance official claimed, the appropriate departments only have to elaborate proposals on an audit of the enterprises. He reported that special "fire brigades" of managers would be formed which are called upon to improve the situation at impoverished state enterprises.

The Central Bank was criticized most of all. Kazmin accused it of disrupting the introduction of bills of exchange in accordance with the president's edict on the conversion of liabilities, for example. It then destroyed the centralized calculation of creditors' liabilities. Now the scale of enterprises' reciprocal nonpayments is unclear, whether it is 2 or 14 trillion (however, the Ministry of Finance is assessing them at 8-10 trillion). Kazmin expresses particular surprise at the statement made by Central Bank Head Viktor Gerashchenko to the effect that bills of exchange have no future in Russia. However, he expressed the hope that the government would nevertheless find understanding in the country's main bank.

Military Issues

Civil Defense Forces Formed Under Chernomyrdin

MK2910095093 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 29 Oct 93 p 1

[Unattributed report: "Chernomyrdin Has Organized His Own Army"]

[Text] Yet another commander in chief has appeared in the country—Russian Prime Minister Viktor Chernomyrdin. He has become commander of a new armed service—the Russian Federation Civil Defense Troops, a statute on which was recently approved by the Council of Ministers.

The new military service, just like common army subdivisions, will be broken down into military units and will have the same procedures for doing military service and awarding ranks as the army.

These troops will be meeting their manpower needs also through conscription and on a contract basis. As MOSKOVSKIY KOMSOMOLETS was advised at Civil Defense Troops headquarters, the latter will be equipped with small arms (automatic rifles, and so forth) and also special hardware. The civil defense troops servicemen will wear a uniform and insignia as established for the servicemen of the Russian Federation Armed Forces. In addition, there is only one distinctive mark envisioned for them—an equilateral blue triangle against an orange background.

Shoygu Put in 'Immediate Command'

LD2910220993 Moscow Russian Television Network in Russian 2000 GMT 29 Oct 93

[From the "Vesti" newscast]

[Text] It was announced today that Russian Prime Minister Viktor Chernomyrdin will be put in charge of the Russian civil defense troops. A correspondent of the EFA [as heard] agency was told this today at the government press center. A government decision has withdrawn the civil defense troops from the jurisdiction of the Defense Ministry. Sergey Shoygu, the chairman of the State Committee for Emergencies, will be in immediate command of the civil defense troops.

Grachev Directing Command, Staff Exercises

LD0111144693 Moscow ITAR-TASS World Service in Russian 1403 GMT 1 Nov 93

[By ITAR-TASS correspondent Vadim Byrkin]

[Text] Moscow, 1 Nov—The operational-strategic command and staff exercise on managing Russia's armed forces will be the concluding stage in training in the army and fleet in 1993. The ITAR-TASS correspondent learned from the Russian Federation Ministry of Defense information and press department that the exercise began today and will continue until 5 November. Army General Pavel Grachev, Russia's defense minister, is directing the operational-strategic command and staff exercise.

Rubanov: New Military Doctrine 'Within Days'

LD2910200193 Moscow Radio Moscow World Service in English 1900 GMT 29 Oct 93

[Text] The deputy head of the Russian Security Council, Vladimir Rubanov, says that within days Russia will have a new military doctrine. Speaking at a seminar in Moscow, Rubanov said the new doctrine has already been drafted and only a few technical problems remain to be resolved. He said the new doctrine made no use of the word enemy and no publicity has been given to its preparation because, he said, its brainfathers were to be protected from outside political pressure.

Army Precluded From Police Functions

MK2910100093 Moscow NEZAVISIMAYA GAZETA in Russian 29 Oct 93 p 1

[Unattributed report in the "In Brief" column: "The Army Is Not a Policeman"]

[Text] Russia's new military doctrine does not impose police functions on the army. This was announced by Vladimir Rubanov, deputy chief of the Russian Federation Security Council apparatus. "The army will remain an institution designed to ensure protection against external threats," he stressed. Nonetheless, according to Rubanov, army units may be used to "remove the effects of internal social, ecological, and other upheavals" and also to provide support to border and Internal Affairs Ministry troops.

Mood in Moscow Troops May Cause Redeployment

MK3010112093 Moscow OBSHCHAYA GAZETA in Russian No. 15/17, 29 Oct-4 Nov 93 (signed to press 28 Oct) p 3

[Rodion Morozov report under "Rumors and facts" rubric: "The Ring May Break"]

[Text] It has come to our knowledge that an inspection of military units stationed within a radius of 70 km from Moscow was launched by a commission of the Russian Federation Defense Ministry on instructions from the Supreme Command virtually right after the lifting in Moscow of the state of emergency.

The formal reason is to determine whether it was expedient to further deploy the units in this zone. The actual reason is to probe the moods prevailing among the men and officers. Their moods are growing increasingly troubled with each passing day—as if it were not enough that the Armed Forces are forced to take part in solving political conflicts, thus performing functions unusual for them. This disrupts the system of command and control of troops. Also, all sorts of civilian "emissaries" interfere in the life of combined armed forces units, with the effect that the usual structure of subordination, where servicemen are obliged to carry out the orders only of their immediate commanders—and no one else's!—is being broken up. All this is creating within the forces a tense and explosive environment.

Naturally, in such a situation, Defense Ministry chiefs pay special attention to the units deployed in immediate proximity to Moscow. The areas of their deployment have already been visited by Colonel General Boris Gromov, deputy defense minister; and Lieutenant General Podgornyy, a representative of Konstantin Kobets (another deputy minister).

It is known that taking part in the work on units stationed around Moscow are also Viktor Barykin, head of the Main Operations Directorate of the General Staff, and one more deputy defense minister—Colonel General Georgiy Kondratyev. He is alleged to have been charged with the processing of documents on the storming of the White House. According to information available to us, the general is now busy "neutralizing" undesirable processes within the Armed Forces.

One result of the commission's efforts may be the redeployment of a number of units stationed near Moscow to more remote areas under the pretext of reinforcing the border regions. Such a measure is fraught with inflicting considerable damage on Moscow's "defense ring." Fifty km from the capital there is the concrete ring road which has entries to all Moscow's

highways. At Ch-hour [in an emergency], it would be used to "scatter" forces in the needed directions.

International Military Cooperation Discussed

LD2910145493 Moscow ITAR-TASS in English 1415 GMT 29 Oct 93

[Text] Moscow October 29 TASS—A regular meeting of the Russian Defense Ministry's commission for control over exports of armaments, materiel, military technologies and developments discussed today ways to help Russian scientific-research institutes, design bureaus and plants to develop international cooperation in the military-technical sphere.

The meeting chaired by First Deputy Russian Defense Minister Andrey Kokoshin was attended by high-ranking officials from the Russian armed forces' general staff, armed services, the committee on military-technical policy of the Russian Defense Ministry's international-legal department, Russian scientists, general designers and heads of defense plants.

"Some proposals on cooperation with foreign partners were rejected for not corresponding to Russian security in the military-political, ecological and scientific-technical aspects," sources at the defense ministry's press service told ITAR-TASS.

In their opinion, the main task of the commission is to help consolidate the position of Russian science and industry at world markets of defense technologies without doing any harm to Russia.

Military Industry Needs Careful 'Treatment'

PM0111143793 Moscow KRASNAYA ZVEZDA in Russian 27 Oct 93 p 1

[Valentin Rudenko article: "Defense Industry Needs Certainty and Considered, Well Thought-Out Reforms"]

[Text] That our defense complex is in crisis is an indisputable fact. It is also hardly worth talking for very long about the reasons for this crisis: They are all immediately obvious. Today, it seems, even the most radical advocates of cutting defense expenditure are beginning to realize that it is hardly possible to reform the defense industry by hasty "shock therapy." But it is one thing to acknowledge this and quite another to resuscitate something that has already been destroyed and thrown off balance to a considerable extent.

Bearing in mind the extremely difficult economic situation in the country, the Ministry of Defense has proposed singling out those enterprises which form the basis and nucleus of the defense complex in order to preserve them at all costs. According to preliminary estimates, this nucleus would include approximately 200 enterprises at the first stage of cooperation. It is intended to guarantee them a defense order representing at least 30 percent of their total volume of production.

The 1994 defense order and a long-term armaments program running through the year 2000 have been formulated to take account of the unevenness of the situation prevailing in the country. Right now these documents are being examined by the government.

One of the factors exerting a negative influence on long-term planning processes and the development of the defense complex is the extremely weak normative-legal base and the lack of laws "On the Defense Budget," "On a State Program for Developing Weapons and Military Hardware, the Defense Order, and the Status of Enterprises Taking Part in Carrying Out the Defense Order," "On Mobilization Preparation of the National Economy," and others. However, defense industry workers themselves say that it is currently far more important for them to have a law on financial and material backup for the defense order than an actual law on the defense order.

Many defense enterprises are still pinning their hopes on the Ministry of Defense. But the Ministry of Defense, as we well know, does not print money. It merely distributes the meager resources that are currently allocated for the purchase of weapons and combat hardware. This is a difficult and thankless task, particularly when you know beforehand that someone will lose out. Today we should already be thinking not so much about how to preserve defense enterprise collectives at full strength as about how to retain those key specialists whose departure would signal the irretrievable loss of the little technological tricks which only they possess. For example, many people know how to make some component or other by sticking to the designs they are given, but only a handful know how to obtain the necessary tolerances and highest quality. The Ministry of Defense has suggested pegging these specialists' wages at a level no lower than the amount they would receive working for a commercial structure. A mechanism for implementing this task is now being formulated.

Analysis shows that, bearing in mind the economic situation in the country, we should hardly expect the defense order to grow considerably over the next few years. It is more likely to remain at the 1994-1995 level through 2000, that is to say at 25-30 percent of the volume recorded at the end of the 1980's. A considerable amount of production potential will therefore not even be used. The tragic situation in which the defense industry finds itself is compounded by the fact that its main foundations are very poorly adapted to manufacturing civilian products. Conversion sometimes requires cash injections comparable in scale to the expenditure needed to construct completely new production facilities.

But if we really intend to change something for the better, we need to stop lamenting the woeful state of the defense industry and take some uncommonly radical measures. The situation in the defense complex is difficult, but not, we would like to hope, hopeless. Everyone we have spoken with at the State Committee for the

Defense Sectors of Industry and the Ministry of Defense believes that the state should first of all repay its debts to defense enterprises (at the present time these are in the order of 400 billion rubles), ensure the allocation of preferential loans and advances to the defense order, establish special quotas for the most important kinds of material and technical resources, index-link defense expenditure on a quarterly basis, transfer money from client to agent within the shortest time possible (three days), open special subaccounts for defense firms, and resolve a number of other problems. It is time to realize that responsibility for the defense complex under the law "On Defense" lies with all state institutions. Primarily with the government. It is the government that must ensure the guaranteed fulfillment of the state defense order.

For the time being, however, we can only dream of such guarantees. On the whole, the impression is sometimes given that one government is approving the state defense order, whereas a quite different government is financing it and providing material and raw material resources. Otherwise what are we to make of the fact that the defense complex, which is one of the pillars of government, is offered fewer loans than private structures? Chronic shortfalls in the amount of money received by the Ministry of Defense to pay for defense products manufactured in accordance with the approved state order, and also to pay for conducting scientific research and experimental design work, have already become the norm as a result of inappropriate indexation.

Right now we need to clearly understand that further cuts in appropriations not only jeopardize our ability to develop unique weapons systems but also threaten serious social upheavals. The fact is that approximately two-thirds of the money earmarked today for purchasing weapons and combat hardware is spent in the social sphere—maintaining infrastructure, kindergartens, hospitals, military bases, and sometimes entire cities. People who call for the "fat to be trimmed" from the defense industry are basically fighting to make life even harder for the 3-3.5 million people who are connected with the defense complex in one way or another.

Allegations that expenditure on weapons and combat hardware is driving up inflation are without foundation. It is not the defense industry that is driving up inflation, but the extremely irregular inflow of money allocated by the state to carry out the state order. If at the beginning of the year the Ministry of Finance had provided about 40 percent of the defense order advance, as was originally envisaged by the legislation, with a view to helping enterprises purchase subassemblies and raw materials, would these enterprises really have had to sell their products at the end of the year at prices two or three times higher than those enshrined in the state order?

The defense complex undoubtedly needs to be reformed, reorganized structurally, and have its multifarious component parts "incorporated" into the new market relations. Reforms are what are needed, a process of thoughtful and painstaking "therapy." We do not need more shocks or thoughtless, arbitrary decisions; we need treatment, not smothering. The defense industry must survive. After all, it is our property and a source of wealth.

Aircraft Carrier Arrives at Sovetskaya Gavan

LD2710152993 Moscow INTERFAX in English 1349 GMT 27 Oct 93

[Text] The Novorossiysk aircraft carrier, taken off combat duty in the Pacific, has arrived at the Sovetskaya Gavan harbor. A similar aircraft carrier, the Minsk, had earlier been brought to the same zone of the Tatarskiy Proliv. The cruisers will have to stay here until the Russian naval command decides what to do with them next.

Regional Affairs

Government Tightens Policy on Taxing Regions

MK2910103093 Moscow KOMMERSANT-DAILY in Russian 29 Oct 93 p 3

[Radmir Kilmatov, Vladislav Dorofeyev report: "Budget Regulation in Russia. Federal Center Presents Regions With a Choice"]

[Text] The federal center has tightened its stance on the regions that use payments to the budget as leverage to pressure Moscow. Before the parliament was abolished, the threat to halt the transfer of tax revenues to the republic's budget was one of the regions' most effective arguments in their drive for new economic benefits. After the edict "On Measures To Enforce the Russian Federation Legislation on Budget Arrangements" (KOMMERSANT-DAILY reported it yesterday), this argument will evidently no longer be effective.

The stepping up of the struggle for the allocation of taxes between the federal center and the regions, which was precipitated by differences between the executive and legislative authorities, prompted a rush of statements by regional and republican leaders on halting or slashing payments to the federal budget last summer. The traditionally separatist-minded Tatarstan was followed by Karelia, Bashkortostan, Khakassia, Altay, and Belgorod Oblast. Yakutia adopted a special stance, threatening to slash payments to the federal budget by as much as it had been underpaid from the republican budget in terms of traditional subsidies to northern regions. After 3 October, most regions softened their stances. At the same time, the Finance Ministry and the Yakutian government set a precedent on 16 October by signing an agreement on granting Yakutia (as an experiment) the right to keep all tax revenues required for fully financing federal programs on its territory.

This agreement, however, does not reflect the general tightening of the center's approach. The new edict gives the Finance Ministry the right to impose sanctions on

the regions until 1 January 1994 if they fail to meet their obligations to transfer payments to the federal budget, such as: to halt subsidies and subventions, to stop granting quotas for export operations, and to suspend deliveries from state reserves. In addition, the Central Bank has been instructed to write off amounts subject to payment to the federal budget from the current accounts of debtor regions.

Thus, the agreement with Yakutia, which demonstrated one of the ways to resolve the regions' financial problems, and the presidential edict, which formalized tight sanctions against the regions, show local elites the prospects that can be opened up for those loyal to the central authorities, a loyalty apparently exemplified by Yakutian President Mikhail Nikolayev. Given this, it is only logical to presume that in order to get Yakutian-style benefits, the regional authorities should display a loyalty to the central authorities similar to Yakutia's.

Declaration of Ural Republic Assessed

PM0211103993 Moscow ROSSIYSKIYE VESTI in Russian 30 Oct 93 p 1

[Article by Lyuba Tsukanova under the "Our Commentary" rubric: "Sverdlovsk Oblast or Ural Republic?"]

[Text] The adoption of the Constitution of the Ural Republic came as a bolt from the blue for the Moscow authorities, who are obsessed today with problems of a global scale—the elections, preparation for the referendum on the Russian Federation Constitution, and the reform of the organs of local power as a whole. In this context Sverdlovsk Oblast Soviet should (according to the Moscow authorities' logic) either have adopted acts to reform itself or, even better, to dissolve itself. However, the Sverdlovsk Oblast Soviet, which had never been in sharp opposition to central executive authority (on the contrary, its chairman, Anatoliy Grebenkin, was one of the handful of his colleagues who supported the president's edict No. 1400) and for that reason was "unintimidated," acted according to its own logic: To wit, it continued and completed the work begun during "peacetime": Having proclaimed the Ural Republic in the summer, deputies provided it with a legislative base by the end of October—they adopted as result of long discussions their own local constitution, constituted a new representative organ, and set the elections for it for 12 December.

Here it is necessary to stress the peaceful, nonconfrontational nature of the actions of the Sverdlovsk local authorities in order to understand the surprise caused in Yekaterinburg by the sharp reaction from Moscow, particularly the response of Nikolay Medvedev, chief of the Department for Work With the Territories in the president's administration. The latter described the Oblast Soviet's decision as not an individual action but a political trend: "the irresponsibility of... obsolete organs of power, their political ambitions and patent futility" (ITAR-TASS interview). Even a perfecly peaceable and logical step like the Oblast Soviet's request that the Constitutional Conference include the Ural Republic within the Russian Federation (presumably a textual amendment to the new draft constitution is intended) is deemed illegitimate.

The center's sharp reaction is understandable: Agreeing the final text of the Constitution, particularly the parts affecting the rights of the components of the Federation and the equalization of the status of the republics and all the other "components," is already proving hard going. The people of the Urals have by their ingenuous consistency increased the tension in this vital issue, although they no doubt consider that are putting forward, as it were, a new and pretty simple way of resolving inconsistencies which have long irritated everyone.

However, in politics naivety, ingenousness, and an inclination toward simple solutions have never been regarded as virtues. And that is why the Urals should be prepared for the sharpest reactions from the center, up to and including, as Nikolay Medvedev said, "the institution of proceedings against the soviet's irresponsible leadership." Nor can it be ruled out that Sverdlovsk Oblast Governor Eduard Rossel, who attended the session of the state chamber of the Constitutional Conference 28 October, will come under fire too. Yet I would like to believe that that matters won't come down to dismissals. Despite the fact that in today's situation the initiative by the Sverdlovsk Oblast local authorities appears irritatingly inappropriate, the president will scarcely regard it as political sabotage. First, it is does not diverge so fundamentally from the 22 October edict "On the Basic Principles of the Organization of State Power in the Components of the Russian Federation"; and second, Boris Yeltsin, treating the proclamation of the Ural Republic pretty indulgently at the time, merely remarked that it was "inopportune." But times are changing. Perhaps the Ural Republic's time is drawing near?

Ural Republic Assailed as Threat to State's Unity

PM0211102993 Moscow KRASNAYA ZVEZDA in Russian 30 Oct 93 p 1

[Vladimir Gavrilenko article: "The Ambitions of Regional Elites Are a Danger Threatening Russia's Unity"]

[Text] Let us "congratulate" ourselves: One more Russian state has emerged within the Russian state—the Ural Republic. At their last session in Yekaterinburg 27 October the deputies of Sverdlovsk Oblast Soviet adopted the constitution of the young Ural "power." With all the attributes of a power.

Supporters of Ural sovereignization are trying to persuade people that the creation of the republic meets the "aspirations and wishes" of 60 percent of Urals inhabitants. All this is allegedly being done with the good ideas of free economic development, a fair tax burden, and

equality among the components of the Russian Federation. The constitution is a product of the creativity of social scientists of the Ural branch of the Russian Academy of Sciences. Statements about the pressing need to adopt it represent the residual activeness of oblast soviet deputies. With the power rhetoric customary in such cases: "not to fear responsibility for a fateful decision, but to show courage when it is a question of the actual continued existence of the soviets" (this is from statements at the last Sverdlovsk Oblast Soviet session). This is probably the crux of the matter: The deputies must go somewhere after the dissolution of the soviets, must they not? A two-chamber legislative assembly will take them all in...

Do they know what they are doing in the Urals? However hard you try to explain, whatever curtsies you lavish all around, and however much you reassure the rest of the Russians that there will be no secession from the new Russian Federation and that the Ural Republic does not need many attributes of statehood, the fact remains that the adoption of the constitution represents a choice in favor of exacerbating confrontation with the Russian center. At a time when there is a strengthening tendency to review the idea of sovereignization. This is known to be manifested in the process of preparing the new Russian Constitution. Work on it is under way. Not everyone likes everything in its draft. But it is a draft so that people can discuss it, ultimately putting it to a referendum. The idea of abandoning the sovereignization of the Federation's components also has its opponents. But it must be clear to every sober-minded person that the sovereignization of the Federation's components is a time bomb planted beneath Russian statehood, beneath one of its main pillars—unity, for which even the "fathers of Ural democracy" show verbal concern. Is not dual sovereignization—Russian plus Ural—ridiculous all over the world? It is a stone's throw from here to triple sovereignization...

Indeed, however hard the Ural elite tries to reassure the Russian center with demarcations of spheres of management and activity, the fact of the constitution's adoption starts off the possible logic of the development of events. Will the deputies, who have replaced the Oblast Soviet's signboard with the plates of the Duma and the House of Representatives, not wish to go further? To establish a customs service, for example. Then arrive at the idea of local armed formations. How it caresses the ear—republican guard! The participation of Ural servicemen will inevitably be required. This is already a road to splitting the Russian Army after the example of the split in the former Soviet Army. Very familiar, is it not?

Very familiar and very dangerous. This powerful mine planted beneath Russian statehood by the founding fathers of the Ural Republic must be disarmed. For it is ticking away. The Ural Republic, South Ural Republic, Maritime Republic... What next? If it carries on like this, the unified Russia for which we are now rooting agonizingly and for which the presidential aspirants also show verbal concern—this great Russia, breaking up, will turn into dust in the wind... If this is so, people will always be found (the people's memory knows examples of this) who will wish to blow this dust from the palm of history.

Do we want this?

Regions 'Unhappy' With Moscow's Sovereignty Stand

MK3010132093 Moscow KOMMERSANT-DAILY in Russian 30 Oct 93 p 3

[Vladislav Dorofeyev, Lev Ambinder report: "Republics Stand for Sovereignty. Regions Unhappy With Moscow's Stance"]

[Text] The three largest Russian republics—Tatarstan, Bashkortostan, and Karelia—have said that they disagree with the draft new constitution, which stipulates the abandonment of the republics' sovereignty. Tatarstan President Mintimer Shaymiyev said in an interview for TATAR-INFORM news agency (which was sent to KOMMERSANT-DAILY yesterday by the president's press service) that "sovereignty is declared by the people," and accused Moscow politicians of resorting to arbitrary methods in relations with the autonomous republics. At the same time, leaders of krays and oblasts are dissatisfied with the draft new constitution because it does not equate the rights of the Federation components. Yesterday, a conference in Voronezh attended by representatives of eight interregional associations, which comprise all the Russian Federation components, once again manifested general dissatisfaction with the center's actions. This may mean that tensions in relations between the center and the regions are on the rise again.

The attack on the regions' rights by the center has been undertaken along a number of axes. The drafters of the new constitution deprived the republics of their right to sovereignty, that is, the legitimate right to secede from Russia, but krays and oblasts, while they were allowed to adopt their own charters, were not elevated to republican status.

Simultaneously, representatives of the presidential team and the government have criticized the decision by Yekaterinburg to create the Urals Republic. At the same time, the president has not only dissolved all the soviets up to civic council inclusive and banned governors from running for legislature, but also tightened the mechanism of financial relations with the regions. Put together, all this may amount to a deliberate attempt by the federal authorities to step up the process of centralization by using economic, not only political, mechanisms, because it is the government that stands behind the presidential edict of 27 October on tightening the procedure for raising federal revenues.

In other words, the latest actions of the federal authorities may (and probably will) draw a negative reaction in the regions, because the latter have never achieved anything of what they strived for before the October events. The statements by Karelian Supreme Soviet

Chairman Ivan Aleksandrov, Bashkortostan President Murtaza Rakhimov, and Tatarstan President Mintimer Shaymiyev that Moscow's arbitrary actions may provoke a boycott of the referendum on the constitution, may be backed not only by the republican leaders, but also by chiefs of krays and oblasts, because they both feel cheated. As a result of this discontent, the regions may send all Moscow politicians packing in the federal elections.

Tatarstan President on Removing Republics' Sovereignty

LD3110192893

[Editorial Report] Moscow Radio Rossii Network in Russian at 1225 GMT on 31 October carries a feature by Dzhaudat Aminov, the station's correspondent in Tatarstan.

Aminov begins by saying: "At the end of last week, the situation in the republics of the Russian Federation which were formerly autonomous regions was substantially exacerbated by statements made by Sergey Filatov and Anatoliy Sobchak on the need to remove the Federation Treaty and the concept of the sovereign republics from Russia's draft constitution. There was an immediate response from President Mintimer Shaymiyev." A recording of an interview with President Shaymiyev of Tatarstan follows.

Shaymiyev says: "I get the impression—and I do not think I am the only one—that the people wanting to make themselves out to be democrats, and I mean here that narrow circle of people who are now drawing up all the documents, are just not up to democracy. There is no other way of evaluating this. Why not? Well, because the declaration of state sovereignty of the republics is not a mere invention by a narrow circle of people in Moscow or in Kazan. It is the fruit of the democratic processes which began after 1985, it is the result of the growth of self-awareness of the entire population of the multiethnic people of Tatarstan" which has taken root in people's consciousness. Filatov's and Sobchak's statements are only "artificially creating tension in Russia." Tatarstan, Shaymiyev goes on, has firmly declared that it is not destroying the integrity of the Russian Federation and that it strives to renew the Russian Federation. "What is now being proposed by way of an amendment to the draft constitution wholly rejects these principles, and is just taking advantage of the fact that it is currently very easy to draw up and pass any decision whatsoever—because there is no balance of power, the Constitution is virtually not effective, it is functioning selectively, whenever anyone finds it advantageous to cite the existing Constitution. I think we are sliding backwards, everything is returning to the position we started from, or perhaps even worse—we are starting to build, or we want to go back to the empire, the Russian empire, and perhaps even the monarchy."

An interview with Ivan Dmitriyevich Grachev, head of the democratic bloc in the Supreme Soviet of Tatarstan, then follows. Grachev, whom Aminov describes as Shaymiyev's "political opponent," nevertheless shares the president's viewpoint. He says that removing the concept of sovereignty from the Constitution is profoundly inexpedient; the draft constitution should be regarded as a transitional one, and a certain minimum of powers should be determined for the federal center, such as taxation, money, credit and finance, borders, a single army, and a single system of law and order. There should be sovereignty, though not absolute sovereignty.

The whole argument, Aminov points out, is playing into the hands of the Tatar nationalists, who are making every possible effort to wreck the elections scheduled for 12 December. "They need the imperialist ambitions of the Russian leadership like heavenly manna, like the very air they breathe. Otherwise they would have no scope for resistance. If there are no such ambitions, then they sometimes invent them, dream them up, but here they're in real luck. Marat Mulyukov, honorary president of the All-Tatar Public Center, does not conceal his glee," Aminov says. In an interview, Marat Mulyukov himself comments that Filatov's statement kills off the concept of federalism: "I believe the autonomous republics should rebel, in this case." The All-Tatar Public Center has decided that Tatarstan will not take part in the elections, he adds.

Back in the studio, the Radio Rossii announcer comments that Mulyukov's call for rebellion is hardly conducive to stability.

Roundup of Regional Election Campaigns

PM0111172993 Moscow ROSSIYSKAYA GAZETA in Russian 29 Oct 93 First Edition p 2

[Roundup comprising reports by Vitaliy Cherkasov from Volgograd, Margarita Ziangirova from Omsk, Nikolay Kireyev from Tula, and unattributed reports under the "Elections" rubric: "Campaign Gets Rolling"]

[Excerpts] [passage omitted] **Cooks Will Not Run the State**

Volgograd—[passage omitted] In four electoral districts Volgograders will have to elect six deputies: four to the State Duma and two to the Federation Council. There are so many candidates that the ordinary voter's eyes will be dazzled when he picks up the ballot paper.

The "Our Future" bloc was the first to assume the role of guide in the voting. All youth organizations and a number of public organizations of the Lower Volga region have united to form this bloc. This alliance has just published an appeal to citizens which says: "The future destiny of Russia today depends on who is in power. We cannot entrust this destiny to any party association. We support candidates for the State Duma and the Federation Council who will uphold the interests of pensioners, invalids, low-income citizens, and students and who also do not give the interests of political parties and commercial structures priority over public

interests. In addition, they should be professionally trained, principled, decent people."

In the opinion of the "Our Future" alliance, Ivan Shabunin, head of the Oblast Administration, Vladimir Mironenko, chairman of the Oblast Soviet Standing Commission for the Economy, and Oleg Gadyuchkin, board chairman of the Volgograd Association of Student Professional Organizations, are such people.

Women for Women

In Kaluga the Oblast Womens Council showed extraordinary activeness in comparison with previous times even at the stage of nomination of candidates. Its presidium decided to nominate as candidates for the State Duma from Dzerzhinskiy Electoral District Raisa Skripitsina, vice mayor of the city of Obninsk, and Tatyana Rozanova, a candidate of economic sciences who runs a department of the Oblast Property Fund. Both are well known as fine specialists and responsive people.

General Runs for Deputy

Omsk—In Omsk Oblast Viktor Lotkov, chief of the Oblast Internal Affairs Administration, has been named as candidate deputy. He was nominated by the "Russia's Choice" democratic bloc.

Let us say straightaway that Viktor Lotkov's tenure as chief of the Omsk Oblast Internal Affairs Administration evokes mixed feelings in the region. The growth in crime and the low clear-up rate—these are the problems which worry citizens most often. Nor did they remain without attention at Viktor Lotkov's meeting with voters. The leader of the Omsk militia sees as the main cause of all its problems the weak economic base of the Internal Affairs Administration and, as a consequence, the imperfection of its technical equipment. If he is successful, Viktor Lotkov intends to work in the State Duma only on a permanent basis. "I am against the combination of posts," he stressed.

They Were Not Left Idle

Tula—In Tula Oblast the activity of the Inner Soviet has been suspended, but people's deputies have not been left with time on their hands. N. Sevryugin, head of the Oblast Administration, invited them to a regular enlarged session of the administration council. Mundane questions were discussed: preparation for winter, the development of the education system...

In Tula a committee for legislative initiative has been set up, mainly from former staffers of the Oblast Soviet, which could become a kind of prototype of the Oblast Duma. It will handle the processing of materials for this organ of power. The main task, the head of the administration reminded them, is to prepare for the forthcoming elections for the Russian Federal Assembly and the referendum on the adoption of the new Russian Federation Constitution.

"It would be a mistake for orthodox people of the left or right to become deputies of the new supreme organ," N. Sevryugin stated. "It should have intelligent, competent, and honest people working in it."

Nomination of candidates has begun in Sakhalin. Following Oblast Governor Yevgeniy Krasnoyarov, Viktor Averin, president of Sakhalin companies and associations, Anatoliy Aksenov, former chairman of the Oblast Soviet, and Sergey Ponomarev, former deputy in the Oblast Soviet, have been nominated as possible candidates for the Federal Assembly. Their names were given at a conference of collective members of the Federation of Sakhalin Associations and Companies.

The election campaign in Khabarovsk Kray is being accompanied by internal party squabbles; two "Russia's Choice" blocs have been formed here. One of them has been formed by the most radical representatives of the Movement for Democratic Reform. The second bloc with the same name, "Russia's Choice," has been created by the Fund for the Support of the President. It includes representatives of the trade unions and the Democratic Party of Russia.

At its own discretion the conciliation commission in Moscow has formed a combined list. The radical democrats of the Amur region do not agree with it. While representatives of the two blocs are engaged in mutual recriminations, the electorate has received grounds for serious doubt: Is there any sense in voting for representatives of a bloc of parties which cannot find a common language even in the runup to the elections? [passage omitted]

Further Roundups

PM0111162993 Moscow ROSSIYSKAYA GAZETA in Russian 30 Oct 93 First Edition p 2

[Roundup of ROSSIYSKAYA GAZETA and ITAR-TASS reports: "Election Campaign Gathers Pace"]

[Text] **Arkhangelsk**

The organ of representative authority in Arkhangelsk Oblast will be a bicameral oblast assembly of deputies. This decision has been made by Pavel Balakshin, head of the oblast administration. The elections will be held 12 December in single-seat districts. The upper chamber will have 27 seats—one deputy from each territory. The lower chamber will have 11 deputies elected by proportional representation (one deputy per 100,000 voters) working on a professional basis.

Yuzhno-Sakhalinsk

Sakhalin's Communists intend to participate as actively as possible in the election campaign that is under way on the island. According to a statement issued to the press by Vladimir Paramoshkin, secretary of the Russian Federation Communist Party oblast committee, party members have already agreed on their two candidates—Viktor Averin, president of the Federation of Sakhalin

Associations and Companies, will be the Federation Council candidate, while Ivan Zhdakayev, a former USSR Supreme Soviet deputy, will be the State Duma candidate. It is very noticeable that leaders of national economic oblast sectors also supported Viktor Averin's candidacy.

Against a backdrop of small and diverse local parties and movements the island's Communists look more impressive—they already have 3-4,000 members.

Vladikavkaz

The "Democratic Breakthrough" electoral bloc of voters has been set up in the North Ossetian capital by decision of the Assembly of Democratic Forces of the North Caucasus. It is headed by Uruzmak Dzhanayev, secretary of the assembly's North Ossetian organization and a doctor at the republic's children's hospital. The bloc intends to nominate Akhsarbek Galazov, chairman of the North Ossetian Supreme Soviet, and Taras Kibizov, head of the Digorskiy Rayon Administration, to the Federation Council from North Ossetia. During the election campaign the assembly itself will operate jointly with the Russian Movement for Democratic Reforms.

Irkutsk

Viktor Ignatenko, chairman of the Irkutsk Oblast Soviet, has announced his decision to run for Federation Council deputy in the Russian Federation's future bicameral parliament. He is a lawyer by training and a graduate of the local university.

Bryansk

Members of a new social organization—the Bryansk department of the Russian Union for the Protection of Local Self-Administration—intend to campaign for the recreation of structures of representative authority at local level. The creation of the union was initiated by a group of deputies from one of the oblast center's rayon soviets that was dissolved in accordance with the president's edict.

52% of Muscovites Prefer Democracy Over Dictatorship

MK2910093093 Moscow KURANTY in Russian 29 Oct 93 p 2

[Oleg Savelyev report under the "Social Barometer" column: "Muscovites on Future Parliament"]

[Text] In the latter part of October 1993, the Institute of Social and Marketing Studies conducted a telephone poll of 1,000 city residents, supervised by Sergey Kolobanov.

Answers to some of the questions in this survey are in percentages.

Pick one of the three opinions about democracy to which you subscribe.

Democracy is better than dictatorship in any case	52
Dictatorship can be better than democracy under certain circumstances	23
I do not care if I live under democracy or dictatorship	11
Hard to say	14

Unreserved supporters of democracy are found most frequently among workers, teachers, students, and generally among men, persons aged 31-59 and with personal incomes over 100,000 and 35-50,000 rubles a month.

Those who more than others prefer dictatorship under certain conditions are specialists with higher education, entrepreneurs, members of cooperative societies, traders, and generally men and persons under 30 years of age.

Russia's future parliament, to be elected on 12 December, will work better, worse, or the same as the one before it

Better	34
Worse	7
Same as the one before	20
Hard to say	39

Those thinking that a new parliament will be better than the one before it are most entrepreneurs, members of cooperative societies, traders, specialists, and generally women and persons under 30 years of age and with an income of above 50,000 rubles a month.

Those expecting a new parliament to be worse than the previous one are mostly office workers with high school education, and generally men, persons of 46-59 years of age and with incomes of 10- 20,000 rubles.

Moscow Oblast Officials Form Electoral Alliance

PM0111165793 Moscow ROSSIYSKIYE VESTI in Russian 27 Oct 93 p 2

[Report by Yuriy Granin: "Regions Join in the Struggle"]

[Text] The founding conference of the "Podmoskovye" regional electoral bloc, which includes the administration heads of 15 Moscow Oblast rayons, the leaders of major industrial enterprises, and representatives of big and medium-size business, has been held. The founding documents state that the bloc favors the revival of the Russian Federation and the creation of a civil society and rule-of-law state on the basis of common human values and will uphold the principles of economic freedom, parliamentary democracy, and solidarity.

During the discussion of the "Podmoskovye" association's political platform and statutes P.S. Popkovich, chairman of the association of Moscow Oblast heads of administration, stressed that the bloc's representatives in

the Federal Assembly intend to seek real, rather than phony powers for the components of the Federation (including Moscow Oblast) in the tax and budget sphere and equality for Moscow Oblast in its relations with Moscow. The majority of founding conference participants believe that the latter should be expressed primarily in a clear demarcation of federal, regional, and local ownership and delimitation of tax and other budget revenue, the size of which should correspond to the European Charter on Local Self-Government (around 50 percent of the taxes that are collected should remain in the regions).

If one were to attempt (without going into the subject of election promises) to formulate the political import of what has happened, the phrase "revolt by the regional bureaucracy" would be pretty accurate. Particularly when you consider that at the latest session of the association of city and rayon heads of administration in Moscow Oblast the representatives of another 31 rayons expressed a desire to join the election bloc.

In the context of the trend toward regionalization of the Russian political process the forum does not look like an ordinary event. At any rate, Vice Premier Sergey Shakhray, who paid it a visit, candidly expressed a desire for cooperation between his party (Russian Unity and Accord Party) and the "Podmoskovye" election bloc, saying that he is counting on the regions' support in the State Duma elections. It looks like his collaboration with the local political elite could be successful. Although it is not inconceivable that the "Russia's Choice" bloc could seize the initiative. In any case, the election bargaining between the federal center and the provinces has begun.

Kamchatka Oblast Soviet Supports Yeltsin's Edicts

OW0111072993 Vladivostok Radiostantsiya Tikhiy Okean Maritime Network in Russian 0815 GMT 20 Oct 93

[From the "Pacific Ocean" program]

[Excerpts] A session of Kamchatka Oblast Smaller Soviet was held in Petropavlovsk-Kamchatskiy. On that very morning, Moscow radio broadcast a report that several soviets, such as St. Petersburg Soviet, Leningrad Oblast Soviet, Voronezh Soviet and several others had decided to disband of their own accord. Some deputies of the Kamchatka Oblast soviet supposed that the question of self-dissolution would be included in the agenda of the Smaller Soviet session. However, this did not happen. Instead, the Kamchatka Smaller Soviet deputies adopted an address for Russian deputies of all levels. Petr Grigoryevich Kriyakov, chairman of Kamchatka Oblast Soviet of people's deputies, was interviewed on this topic by our correspondent Vladimir Kuchin.

[Kriyakov] The stance of the Kamchatka Oblast Soviet does not follow recent events; it is based on our three-year work experience. We have supported economic, social and political reforms in Russia from the very beginning, rallied to the side of lawful authority in August 1991, and supported the president in 1993. Our populace voted for the reforms and the president at the referendum. We also decided at our eleventh session in May that we had to take part in the work of Constitutional Conference, and that the presidential draft could become the foundation for discussing the new constitution. After the president issued edict No. 1400 on 21 September, we supported him and his edicts at our session on 24 September, and outlined measures for its implementation, including elections. Therefore, when we got the presidential edict on reform of the representative organs of power, we unanimously declared that the reform of administrative authority was both indubitable and necessary, and that the Kamchatka Oblast Soviet had to reorganize as well. But we think that, taking into consideration the stance of our soviet, and its political stance in particular, it would have been expedient not to disband the local organ of representative power but hold elections of a new organ of representative power. We held the session of the Smaller Soviet to this end today, and we discussed two questions. First, we proposed the basic principles for forming new representative organs of power of a Federation member—in other words, replacing the soviets of people's deputies in krays and oblasts. Second, we addressed soviets and deputies of all levels. As to the first issue, we see the new organ of power as a legislative assembly which would be a permanently functioning organ incorporating the activities of no more than 15 or 25 deputies who would be working on a permanent, personal basis. This organ must have competence based on the principle of a division of powers—of legislative and monitoring activity [sentence as heard]. We also believe that this new organ of power must be elected because unfortunately we, the deputies of the 21st convocation, were elected under different political conditions, and a different division of political forces. Secondly, many are simply tired, and many are disappointed with this representative work. Therefore, we will support the president in elections of new organs of power.

The main point of the address is getting soviets of all levels to support the reforms mentioned in the president's edict: constitutional reforms first and foremost, and also the reform of market and representative power. The deputies should understand that time itself demands this necessity and calls on our civil conscience and courage to go for new elections, for the elections of new representative organs of power—not only at federal level, but at our level as well. We also propose in our address that the soviets who supported the rebels in October this year, who did not support presidential edicts by their decisions, and who practically gave carte blanche to the former leadership of the former Supreme Soviet to confront the president, which led to a bloodbath on 3 and 4 October in Moscow—we propose that they adopt a courageous decision on self-dissolution.

Nevertheless, we unequivocally ask everyone to support us in forming new local organs of representative power. [passage omitted]

Moscow Denies Chechnya's Claim of Invasion Plan

LD0111113693 Moscow ITAR-TASS World Service in Russian 1034 GMT 1 Nov 93

[By ITAR-TASS correspondent]

[Text] Groznyy, 1 Nov—The Chechnya Ministry of Foreign Affairs issued a statement today asserting that "at a secret meeting, Russia's Security Council decided on a military invasion of the Chechen Republic." The document says that in light of this, Chechnya has appealed to the UN Security Council "requesting that the aggression be prevented."

Moscow, 1 Nov (ITAR-TASS)—The allegation by the so-called Chechnya Ministry of Foreign Affairs that a "secret meeting" of the Russian Federation Security Council was held in Moscow at which a decision was made to invade Chechnya is "a fabrication which does not even merit serious rebuttal."

This statement was made by Anatoliy Krasikov, head of the Russian president's press service in response to an ITAR-TASS correspondent's request for comment on the Groznyy report.

Yeltsin Supports Chelyabinsk Governor

PM0111131593 Moscow ROSSIYSKAYA GAZETA in Russian 27 Oct 93 First Edition p 1

[Edict issued by President B. Yeltsin on 22 October: "On Confirmation of the Authorities of V. Solovyev as Head of Chelyabinsk Oblast Administration"]

[Text] In connection with attempts to prevent V. Solovyev from exercising his powers as head of Chelyabinsk Oblast Administration and attempts by individuals to create parallel executive structures;

with the aim of ensuring economic stability and a unified system of organs of executive power in the region and preventing attempts at interference in the activity of state organs formed in accordance with the Russian Federation Constitution and laws currently in force;

in accordance with the Edict of the Russian Federation President No. 440 dated 9 April 1993 "On Ensuring the Activity of Chelyabinsk Oblast Administration," as well as Point 2 of Edict No. 1465 of the Russian Federation President dated 27 September 1993 "On the Functioning of Organs of Executive Power in the Period of the Stage-by-Stage Constitutional Reform in the Russian Federation," /I decree/ [words within slantlines published in boldface]:

1. That the authorities of V. Solovyev as head of Chelyabinsk Oblast administration are confirmed.

2. That within 10 days Chelyabinsk Oblast Administration Head V. Solovyev is to implement a check into instances in which officials under his jurisdction have failed to perform their duties or have participated in actions aimed at the de facto destruction of the unified system of organs of executive power in the oblast, and to determine the degree of their responsibility.

[Signed] Russian Federation President B. Yeltsin
Moscow, the Kremlin
22 October 1993
No. 1722

North Ossetia Wants Federal Treaty in Constitution

LD0111155493 Moscow ITAR-TASS in English 1452 GMT 1 Nov 93

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz November 1 TASS—North Ossetian leaders will insist on including the text of the federal treaty in the new Russian constitution to be an inalienable part of the main law of the country, Akhsarbek Galazov, chairman of the North Ossetian parliament, told ITAR-TASS shortly before flying to Moscow to attend a session of the Council of heads of republics scheduled on Wednesday.

The North Ossetian parliamentary speaker is categorically against the position taken by bodies of the Constitutional Assembly which suggested leaving the federal treaty beyond the framework of the constitution.

In Galazov's opinion, it was the federal treaty that enabled to keep Russia intact as a single monolith state. Under the present shattering and contradictory constitution the federal treaty laid a legal basis for Russia's state, national, administrative and territorial system and clearly defined subjects controlled by the Russian centre and subjects of the federation.

Mordovian Leader on Plight of Presidency

LD0111204393 Moscow ITAR-TASS World Service in Russian 1537 GMT 1 Nov 93

[By ITAR-TASS correspondent Pavel Kuznetsov]

[Text] Moscow, 1 Nov—Mordovian President Vasiliy Guslyannikov has sent an open letter to Boris Yeltsin. In it he urges the Russian president to put an end to the situation where "the institute of the presidency in Mordovia has virtually been liquidated."

At a news conference called by Vasiliy Guslyannikov today, he reminded journalists that in April this year he was "removed from office by an unconstitutional decision of the Mordovian Supreme Soviet."

Vasiliy Guslyannikov warned that in the course of the forthcoming elections, some fiddling of the election results is possible in the rural areas because "in Mordovia, for example, the setting up of polling stations is under the control of the Supreme Soviet, without the participation of the executive power."

Tomsk Governor To Run for Federation Council

PM0211105393 Moscow ROSSIYSKAYA GAZETA in Russian 30 Oct 93 First Edition p 2

[Aleksandr Chernykh report: "Signatures for Governor"]

[Text] Tomsk—Signatures have begun to be collected in Tomsk to nominate Viktor Kress, head of the Oblast Administration, as a candidate deputy for the Federal Assembly's Federation Council. Many leaders at major enterprises and in academic science and the agrarian sector have already spoken out in support of him.

Country people, incidentally, are well aware of the work done and position taken by their governor. V. Kress worked for many years in ordinary jobs—as both a kolkhoz chairman and in the oblast agricultural administrative system.

The campaign machinery is gradually picking up speed. Former Russian Supreme Soviet members G. Zhukov and D. Dobzhinskiy have also agreed to be nominated.

International Affairs

U.S., Russian Stands on Nuclear Weapons Viewed

AU0211093993 Kiev MOLOD UKRAYINY in Ukrainian 29 Oct 93 p 1

[Unattributed commentary published under the "Post Scriptum" rubric: "Christopher Was Given To Understand...."]

[Text] U.S. Secretary of State Warren Christopher and U.S. President Bill Clinton will now have food for thought following Christopher's visit to Kiev.

The Western mass media that have noted the United States' pressure on Ukraine on the issue of nuclear disarmament at the same time state that it is also time to understand the position of the Ukrainian president, who cannot ignore the growing danger on the part of unpredictable Russia. Russian journalists of all publications without exception (although, as we are told, democratic publications alone are issued there) have gone hysterical because of official Kiev's precautions and are calling upon Ukraine immediately to disarm and, again, give away the nuclear material of the warheads to Russians. According to experts, the content of nuclear warheads from 130 SS-19 missiles costs about $5 billion. At the same time, Russia keeps mum when asked what we are supposed to do when it has not yet paid for the uranium that was contained in the tactical nuclear missiles.

Kravchuk Welcomes U.S. Exhibition to Kiev

LD0111120393 Kiev Radio Ukraine World Service in Ukrainian 1100 GMT 1 Nov 93

[Text] President Leonid Kravchuk sent welcome greetings to all participants and guests of the Ukraine-America '93 international exhibition in Kiev. The message says, in particular: Notably, this representative exhibition has become a continuation of cooperation between Ukrainian and American companies in the development of commercial agreements and intents forged at the biggest international exhibition in the history of the United States and Ukraine, America-Ukraine '92 in Las Vegas.

The motto of the present exhibition is: From mutual understanding to mutually beneficial cooperation. We attach deep meaning to it, for it is this kind of cooperation that corresponds to the mutual aspirations to ferment the principles of equal, truly democratic partnership in the relations between our two states. This will also promote the strengthening of mutual trust.

I am convinced, the president stresses, that American guests will have a real opportunity to get to know the history and today of independent Ukraine, its economic, scientific and technical potential, its rich and original culture, and to visit many picturesque corners of ancient Kiev. I hope that our specialists will take advantage of the opportunity to set up long-term links with business partners from the United States. With all my heart, I invite Ukraine's citizens and visitors, and Kiev residents to see the Ukraine-America '93 exhibition. With best wishes for good health, happiness, and peace.

With these words, President Kravchuk concluded his greetings to all participants and guests of the Ukraine-America '93 international exhibition in Kiev.

Black Sea Fleet, Naval Forces Chiefs Meet

LD0111185193 Kiev UNIAN in Ukrainian 1423 GMT 1 Nov 93

[Text] Sevastopol [No dateline as received]—A confidential meeting between Admiral Eduard Baltin, commander of the Black Sea Fleet, and Vice Admiral Volodymyr Bezkorovaynyy, commander of Ukraine's naval forces, took place at the Black Sea Fleet headquarters on 30 October. They discussed issues of mutual interest to the sides. According to the claims of observers, the leaders of the naval departments agreed to invite officers of the Black Sea Fleet to the Military Council of Ukraine's naval forces and vice versa.

A UNIAN correspondent has learned from informed sources that Volodymyr Bezkorovaynyy, commander of Ukraine's Naval Forces, will soon leave for the United States in order to take part in the work of an exhibition of fighting equipment from various countries of the world.

Military Official: War With Russia 'Impossible'

LD3110151893 Moscow INTERFAX in English 1402 GMT 31 Oct 93

[Text] A senior figure in the Ukrainian military said a military confrontation between Ukraine and Russia was impossible.

Vadim Grechaninov, head of the Strategic Studies Center of the Ukrainian Defense Ministry, told an international conference held in Kiev on October 30-31 that Ukraine had destroyed 500 tanks, 500 armored personnel carriers and about 100 aircraft.

The conference, whose theme was "Ukraine and European Security," was attended by officials from Ukraine's Foreign and Defense Ministries, diplomats from several nations and officials from NATO central bodies.

Grechaninov said the Ukrainian Armed Forces needed certain changes, since they were based on part of the former Soviet forces which were geared to the strategic objectives of the Warsaw Pact.

Earlier on, Ukraine demanded revision of the Treaty on the Reduction of Conventional Armaments in Europe, under which it was to cut down its forces stationed in the Odessa Military District. Ukraine's military leaders would like to move some of the country's forces from the Cis-Carpathian Military District, the largest in the country, to its souther regions.

The Ukraine possesses an army, navy and air force. The latter would also incorporate air defense units, Grechaninov said.

Ukraine is a sea nation and will remain so, although the Black Sea is closed to it, a fact its leadership cannot ignore in setting tasks to the navy, he said.

Ukrainian Defense Minister Vitaliy Radetskiy believes numerical reduction of Ukraine's forces and withdrawal of nuclear weapons from its territory must be compensated for by "high-precision non-nuclear weapons." But he declined to tell a news conference in Kiev on October 28 what types of arms he had in mind.

Minister Views Problems of Ukrainians in Russia

WS2910150893 Kiev Ukrayinske Radio First Program Network in Ukrainian 2000 GMT 28 Oct 93

[Nataliya Bondarchuk report on statement by Oleksandr Yemets, minister for issues of ethnic minorities and immigration, on 28 October; place not given]

[Text] As is known, the First Congress of Ukrainians in Russia was financed by the two governments. The Russian Federation had allocated 10 million Russian rubles [R] and Ukraine R5 million. The Ukrainian minority is the most populous among Russia's ethnic groups and comprises some 6.5 million people. Besides ethnic Ukrainians, over 6 million Ukrainian refugees are citizens of the Russian Federation. The fate of these people is tightly connected with Russia. Their contribution to the development of the Russian state is formidable. From another perspective, our compatriots's desire to not break ties with Ukraine is understandable. It has been hard for them, scattered all over Russia in towns and villages, to maintain relations with one another. Taking this into account, one of the most important conclusions of the congress is, in Oleksandr Yemets' opinion, that the Association of Ukrainians of the Russian Federation was established. Taking advantage of a press conference, I asked Oleksandr Yemets, minister for issues of ethnic minorities and immigration, to outline the most important problems discussed at the congress.

[Begin Yemets recording] This is, first of all, national-cultural autonomy, including education and preservation of the language. You know that nowadays in Russia, there are practically no Ukrainian schools. However, certain steps in this direction have already been made. For example in Ufa, Ukrainian classes have been created. The question is not even Ukrainian schools, but that in those classes, where parents want their children to learn to speak Ukrainian, Ukrainian language and literature should be taught. For the time being, it is the minimum demanded by Ukrainians in the Russian Federation.

The second issue is culture—creating musical groups, providing buildings for cultural centers, and financing those centers. The first one has already been opened in Moscow at Ukraine's expense. During the congress, in the Building of Unions, wonderful concerts of our gifted Ukrainian youth were held. I will frankly say that I, as a spectator, was truly impressed.

The third issue is information. This means Ukrainian-language television programs, and the development of Ukrainian press and publishing. The problems that have appeared in connection with the USSR's collapse are very acute. For example, the citizenship problem or the housing problem here. Ukrainians have already built houses here, and now they want to return to Ukraine. There are also numerous problems with retirement provisions.

These are the problems that were discussed at the congress, but still, the main problems are the revival of national identity, and the establishment of national-cultural autonomy for Ukrainian ethnic minority in the Russian Federation. [end recording]

Communique on Delegation's Visit to Kuwait

LD0111220693 Kiev UKRINFORM in Ukrainian 1607 GMT 1 Nov 93

["A Successful Ukrainian-Kuwaiti Dialogue"—UKRINFORM subhead]

[Text] [No dateline as received]—A delegation of Ukraine's experts, headed by Valeriy Kazakov, deputy minister of machine-building, military-industrial complex, and conversion, was in Kuwait on a working visit 24-29 October. It had meetings with the deputy ministers of commerce and industry, foreign affairs, oil, and construction, and also at the committee for investments, the Kuwaiti Development Fund, the Chamber of Trade and Industry, and the Kuwaiti National Bank. Issues of bilateral cooperation in various spheres were examined in the course of the talks.

The joint Ukrainian-Kuwaiti communique emphasizes that the sides noted with satisfaction the gradual increase in cooperation, and also confirmed their readiness to extend cooperation in the interests of two friendly peoples.

To develop the accords reached in April of this year in the course of a visit to Kuwait by the prime minister of Ukraine and his talks with Shaykh Sa'd al-'Abdallah al-Salim al-Sabah, crown prince and prime minister of Kuwait, the sides agreed to continue their work on elaborating draft bilateral agreements, which had been handed over to the Kuwaiti side previously. The prospects for cooperation between the two countries in various spheres of the economy, industry, construction, trade, investments in extracting and refining oil, and also other spheres, were also examined.

The sides confirmed the importance of continuing the Ukrainian-Kuwaiti dialogue and exchange of delegations at various levels.

Press center of the Ministry of Foreign Affairs of Ukraine.

Officials in Talks With Turkey on Oil Transit

LD2910194493 Kiev Ukrayinske Telebachennya Network in Ukrainian 1700 GMT 29 Oct 93

[Text] Government delegations of Ukraine and the Turkish Republic held talks in the Turkish capital, Ankara, on the expansion of economic cooperation. Attention was focused on the transit of oil and oil products necessary for the Ukrainian industry through Turkish territory. The Turkish side was understanding about Ukraine's need to provide itself with energy resources as quickly as possible. The Ukrainian delegation, led by Ukraine's Deputy Prime Minister Valentyn Landyk, and their Turkish counterparts discussed several options for the transit of oil and oil products to Ukraine, all of them taking into account the need to ensure environmental safety in the straits and the Black Sea. They signed a protocol on cooperation in this sphere.

National Affairs

Kravchuk Views Tasks Facing Leadership

LD0111153093 Kiev UNIAN in Ukrainian 1423 GMT 1 Nov 93

[Text] Kiev [No dateline as received]—At the opening of the First All-Ukrainian Conference of Press Editors on 1 November, Ukrainian President Leonid Kravchuk named the main tasks facing, in his opinion, the country's leadership. These are: Reform in economic relations, achievement of national unity and political stability, social protection of the public, the fight against corruption and organized crime, and the development of favorable relations with the CIS and other foreign countries.

The main issue in the political sphere, Kravchuk believes, is election of the new Supreme Council and president, and local authority reform. The president emphasized that the parliament must be professional, while elections would be held according to the majority-proportional system. The Cabinet of Ministers, according to Kravchuk, is drafting three documents: The state program for overcoming the crisis in the Ukrainian economy, the draft budget, and the draft plan for Ukraine's socioeconomic development next year.

Speaking of the media, the president stressed: "I have no criticism or complaint about any specific publication" and called on the managers of newspapers and magazines to avoid pushing people into anticonstitutional actions and revolutionary euphoria. "One must do one's best to ensure that all candidates have equal opportunities to present their programs to electors during the election campaign," said Kravchuk.

The president assured participants of the assembly that the state would assist editorial teams in newspapers and magazines in every way, first of all those founded by power bodies, work collectives, and creative unions. In particular, the state will allocate 22.6 billion karbovantsi to cover part of the printing and distribution expenses. The value-added tax for paper delivery will be cut by 50 percent, and there is an agreement for a supply of 40,000 tonnes of newsprint to Ukraine on a barter basis.

Kravchuk Issues Edict on State Contracts

LD0211115993 Kiev UKRINFORM in Ukrainian 1527 GMT 2 Nov 93

["Edict of the President of Ukraine on State Contracts and State Procurement for 1994"—UKRINFORM headline]

[Text] With the aim of stabilizing material production and as partial amendment to the Ukrainian president's edict no. 289 of 4 May 1992 "On State Procurement in Ukraine," I hereby resolve: 1. To establish that in 1994, provision for the country's needs in the products of productive, technical, and military use, agricultural produce, consumer goods, jobs, and services, as well as the state's assistance in the most important sectors of the national economy and deliveries on interstate agreements should be carried out through state contracts and state procurement, planned on the basis of proposals by ministries and departments—state customers. State contracts will be funded at the expense of Ukraine's state budget, while state procurement will be funded at the expense of enterprises' and organizations' own funds as well as through available credit resources.

2. The Council of Ministers of the Republic of Crimea, oblast state administrations, and city state administrations of Kiev and Sevastopol are allowed to plan regional procurement in order to settle the problems of local development, up to 5 percent of the total output of goods in the relevant locality.

3. The customers' (consumers') and producers' responsibility for the fulfillment of state contracts and state procurement is determined by the contracts signed as well as the Ukrainian legislation.

Payment for the goods supplied on the state procurement order will be made by the customer (consumer) within 30 days. If the goods are not paid for by the customer (consumer) before the specified deadline, the supplier retains the right to sell them to other consumers.

4. Suppliers on state contracts and state procurement orders can be enterprises and organizations irrespective of the form of ownership.

State contracts and state procurement are mandatory for enterprises and organizations whose capital funds are formed either fully or partially of state property, for leaseholder enterprises founded on state property, for enterprises with a monopoly on the relevant market and

for enterprises and organizations which will be changing their form of ownership in the course of privatization in 1994.

Other enterprises and organizations will sign state contracts and take state procurement orders on a voluntary basis.

5. Suppliers on state contracts and state procurement orders will provide themselves with material and technical resources on their own, by means of signing direct agreements with their suppliers, state wholesalers and other intermediary organizations. Certain types of resources whose production and consumption is controlled and centrally distributed by the state would make an exception. A list of these resources will be compiled by Ukraine's Cabinet of Ministers.

6. Ukraine's National Bank, Ministry of Economy, Ministry of Finance, and State Committee for Material Supplies are to draw up by 1 December 1993 a mechanism for mutual payments with CIS countries for goods traded on interstate agreements.

7. Until the list of goods whose export in 1994 is subject to quotas and licenses is compiled, enterprises and organizations delivering on state procurement orders and state contracts are exempt from quotas and licenses as regards export of rolled ferrous metal, cast iron, and mineral fertilizers.

8. Ukraine's Cabinet of Ministers should determine within two weeks the procedure for placing state contracts and state procurement orders with producers, with a special resolution regarding the peculiarities of placing and fulfilling state contracts and state procurement orders in agriculture, defense, and security.

[Signed] President of Ukraine L. Kravchuk

[Dated] Kiev, 28 October 1993

Explosion in Simferopol Kills Two

LD0111181993 Kiev Ukrayinske Telebachennya Network in Ukrainian 1700 GMT 1 Nov 93

[Text] An explosion occurred a few paces from a UKRINFORM correspondents' center in Simferopol at about midnight on Sunday. Two corpses so disfigured as to be unrecognizable were discovered on the spot. According to the version of specialists from the directorate for campaigning against organized crime, the explosive device went off because of careless handling. It is so far not known where the perpetrators were heading and for what purpose. It is surmised that this is yet another episode in the war conducted by local criminal clans against each other.

Separatism Reported in Transcarpathia

WS0111131793 Lvov MOLODA HALYCHYNA in Ukrainian 21 Oct 93 p 2

[UKRINFORM report under the "All Over Ukraine" rubric]

[Text] The Committee for Combating Separatism has been established in Zakarpatska Oblast. The committee includes leaders of most of the civil and political formations from the oblast. It is headed by Viktor Bed, leader of the Christian People's Union of Transcarpathia.

Transcarpathian democrats, who have not been able to reach an understanding lately, have been forced to unite due to the latest tide of separatist actions. There have been not only the extremist actions of the "Union of Ciscarpathian Ruthenians," who openly demand that the "Ciscarpathian Rus" state be established on the territory of the oblast and who have already created an "interim government." The new impulse for political dissent can be provided by the Oblast Council that will address, at its next session, the issue of declaring Transcarpathia a special self-governed administrative territory within independent Ukraine.

Citizens of Transcarpathia are about to split into two antagonistic camps: adherents of autonomous ideas, and supporters of Ukraine's integrity. We would like to believe that both groups have learned something from the "experience" of Karabakh, Cisdnestr, and Abkhazia.

Belarus

Memorandum on Defense Signed With U.S.

LD0111214093 Minsk Radio Minsk Network in Belarusian 0000 GMT 30 Oct 93

[Text] The heads of the Defense Ministries of the United States and Belarus, L. Aspin and P. Kazlovskiy, have signed a memorandum on mutual understanding. Another step has been made on the path of deepening contacts between the U.S. military and Belarus. This agreement shows the readiness of both sides to expand cooperation and consultations in the defense and security sphere. The agreement is the third of its kind between the United States and a former USSR republic. Such documents were earlier signed with the defense ministers of Russia and Ukraine.

Protocol Signed With PRC on Legal Aid

LD0111212793 Minsk Radio Minsk Network in Belarusian 0000 GMT 30 Oct 93

[Text] A protocol on exchange of ratification documents for the treaty between the Republic of Belarus and the People's Republic of China on legal aid in civil and criminal cases was signed at the Ministry of Foreign Affairs of Belarus. This important document was signed by G. Tarazevich, first deputy minister for foreign affairs, from the Belarusian side, and Wang Xingda, ambassador extraordinary and plenipotentiary of the PRC, from the Chinese side. The treaty will come into effect in 30 days.

Government Plan Aims To Attract Foreign Investment

LD0111203593 Moscow INTERFAX in English 1929 GMT 1 Nov 93

[Text] Government experts have recommended the [Belarus] Cabinet to service the country's foreign debt by issuing shares of the factories coming under privatization.

The draft government plan for attracting foreign investment, the text of which was made available to Interfax and provides for the establishment of an investment fund with foreign participation at one of Europe's financial centers whose activity will be thrust at investing resources in the Belarusian economy. Experts say this can help repay the country's debt and improve the standards of its securities market.

The program also highlights insurance and repatriation of profits by foreign investors. To this end, the government proposes to set up a state fund to insure foreign investment and pursue a policy of incentives to stimulate the sphere of insurance services offered for hard currency. A bill has been drawn up on the repatriation of profits and capital by foreign investors, which will go before parliament soon.

The program speaks of the need to ease the terms of participation in privatizing investment-starved projects both by foreign and local investors. Corporate or individual foreign investors can take part in tenders and auctions to privatize priority businesses. The latter include industrial plants and construction materials, unfinished construction projects and factories having to cut back production because of dwindling imports of raw materials.

Experts say it will be expedient to single out a number of facilities which can be updated only with foreign participation. Such businesses can be sold through tenders but on condition that advanced technologies will be introduced there later.

Government sources say that senior cabinet ministers are expected to meet this month to endorse the draft.

Minsk Council Approves Sites for Privatization

WS0211115493 Minsk BELAPAN in Russian 1500 GMT 1 Nov 93

[Unattributed BELAPAN report: "Privatization Sites in Minsk Have Been Listed"]

[Text] The Minsk City Executive Committee has approved a list of sites to be privatized in late 1993 and early 1994. The list includes some 300 shops, enterprises, and buildings. City authorities will sanction various forms of ownership, including outright sales, the creation of joint stock companies, etc.

Moldova

Negotiator Urges Withdrawal of Russian Troops

LD0111143293 Moscow ITAR-TASS in English 1319 GMT 1 Nov 93

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[Text] Chisinau November 1 TASS—A senior Moldovan negotiator warned on Monday [1 November] that fighting may resume in the breakaway Dniester region of the republic after a year of fragile peace and urged to withdraw the Russian 14th Army from the region because it does not "observe neutrality".

"After the foiled (armed opposition) mutiny in Russia premeditated provocations of the Dniester armed units have become more frequent and can lead to a resumption of combat actions", Victor Catana, chief Moldovan negotiator with the Dniester region said in a statement, adding that a Russian peace-keeping post had been fired at by Dniester police on Sunday.

At the same time the negotiator accused the Russian peace-keeping army under the command of General Aleksandr Lebed of "providing its test ranges for training of illegal Dniester armed units".

Although he thanked the Russian peace-keepers for their contribution to end the conflict, Catana said the forces are "no longer the guarantor of peace in the region" because they "had deviated from observing the convention on the crisis settlement of late" and urged an "immediate and unconditional" withdrawal of the Russian troops from the Dniester region.

At the same time he called to resume talks with Russia, Romania and Ukraine on the Dniester settlement, to conclude a new agreement with Russia on the problem and to invite Russian observers to the region.

'Deliberate Violation' Alleged

LD0111163593 Moscow INTERFAX in English 1359 GMT 1 Nov 93

[Text] Transdniestrian police on October 31 fired at Russian peace-keepers deployed on the left bank of the Dniester, the co-chairman of the joint control commission to settle the conflict in Transdniestria, First Deputy Moldovan Interior Minister Victor Catana, told a news conference on Monday in Chisinau. He believes tensions in the region may cause another armed confrontation. Catana, however, cited no such incident.

He accused the Transdniestrian authorities of the deliberate violation of the Moldovan-Russian agreement of 1992 on settling the conflict. These provocations, he said, became particularly frequent after the failure of the armed revolt in the Russian Federation, where Transdniestrians took an active part.

According to Catana, Moldova, Russia, Romania, and Ukraine should resume negotiations to settle the conflict and withdraw immediately the 14th Russian Army from Moldova. The Russian army does not observe neutrality and is a destabilizing factor in the region, said Catana.

We are grateful to the Russian leadership and the peace-keeping contingent for their contribution in resolving the conflict, said Catana. Now, however, peace-keepers do not observe the agreement and are no longer peace guarantors in the region.

Commission Members View Dniester Situation

AU0211083493 Bucharest Radio Romania Network in Romanian 1400 GMT 1 Nov 93

[Mircea Dascaliuc report from Chisinau]

[Text] In Chisinau today, Moldovan representatives in the three-party control commission [monitoring the situation in the Dniester region] held a news conference.

The three-party control commission consists of representatives from Moldova, Russia, and the Dniester region. Its task is to ensure the peaceful settlement of the Dniester conflict. The commission was set up following the 21 July 1992 conclusion of the convention between the Republic of Moldova and the Russian Federation, in which Russia pledges to act as a warrantor of peace in that area.

At today's news conference, the Moldovan commission members published a declaration stating, among other things, that during the 3-4 October coup attempt in Moscow, the leadership in Tiraspol, besides supplying the Moscow rebels with weapons and personnel from the Dniester battalion, has also openly proceeded to provocative actions of a similar nature in the security zone of Moldova.

The document also says that the people who oppose the Dniester authorities' separatist policy are being persecuted and that the trial of the Ilascu group in Tiraspol is being used to intimidate everyone who does not support the policy of the self-proclaimed republic.

Practically all the weapons of the secessionist forces have been obtained from the leadership of the 14th Russian Army and, therefore, that force violates the principles of neutrality stipulated in Article 4 of the Moscow Convention.

The CSCE mission, which has been in Moldova for over six months, the declaration says, is unable to fulfill its duties in the security zone, as the representatives of Russia and Dniester are stalling the conclusion of the agreement on cooperation between the CSCE mission and the three-party control commission. As a matter of fact, the Russian members of the commission recently adopted a totally passive stance, which does not comply with Russia's pledge to act as a warrantor of peace in that region.

The declaration ends with six proposals meant to ensure peace and security in the eastern rayons of Moldova, among which I would like to mention the following ones: the speeding up of negotiations regarding the 14th Army's withdrawal from Moldova; ensuring free access of the CSCE mission and other international bodies to the security zone, and, generally, throughout Moldova; the elaboration and conclusion of a new Moldovan-Russian convention, which, instead of the current tactical-military measures, would provide for the political settlement of the armed conflict in Dniester.

The news conference was attended by Victor Catana, co-president of the three-party commission and first deputy minister of interior; Grigore Sadovici, first secretary of the Ministry of Foreign Affairs; Vasile Sova, Chamber of Deputies member; and Constantin Bleju, an expert of the three-party control commission.

Unions Criticize Government Economic Policy

AU0111205093 Chisinau BASAPRESS in English 1820 GMT 30 Oct 93

[Text] Chisinau BASAPRESS, 30/10/1993—Oleg Budza, leader of the trade union of workers in construction, states to the newspaper RESPUBLIKA that the

economic crisis will extremely aggravate after 1 January 1994. This is because an increase in the costs of production of goods by 190 percent will happen in the branches with a high level of energy consumption. Budza believes that the memorandum on economic policy elaborated by the government together with IMF, that stipulates the liberalization of prices will aggravate the crisis. "I think we are deceived in the problem of introduction of national currency," states the union leader. The courses of the national currencies introduced in Ukraine and Kyrgyzstan also fell very rapidly. They were backed, however, by gold and uranium, while the [Moldovan] leu is backed by nothing but the rehabilitation credit, states Budza. He says that the Baltic republics cannot serve as an example. They had gold and other assets in banks, their rich emigres returned from the West, and so on, states the leader. He asserts that the national currency will devaluate. Budza says that according to the declaration of the presidium of Federation of Independent Trade Unions, they can demand the government's resignation if it does not increase minimum salaries beginning 1 November. The government made a mistake when it increased salaries of state employees using state reserves while producing branches are in crisis. "Naturally, this led to a budget deficit that reached 60 billion rubles. If minimum salaries will be increased to amount to 13,000 rubles, the budget deficit will increase to 100 billion rubles," stressed Budza. State-owned assets were divided unequally: Inhabitants of villages received a larger part since the Agrarian Party represents the majority in parliament, he says. The persons engaged in agricultural production will receive vouchers for state assets, vouchers for land, and shares of enterprises processing agricultural products.

The increase of prices for goods and services led the population to a total poverty, states the declaration of the Moldovan Federation of Independent Trade Unions signed on 26 October and published in the government newspaper MOLDOVA SUVERANA. The rate of inflation was 30.4 percent per month during the first nine months of 1993, and in September it became hyperinflation, representing 64.4 percent. Prices increased almost 11 times while minimum monthly salaries in September dropped to 13.6 percent of the minimum consumption budget. The declaration states that the government disregards the general agreement for 1993 signed by the trade unions, the government, and the employers. It also disregards the trade unions' demands to jointly examine the created situation and elaborate measures to protect the population. The government's intent to sign with IMF and the World Bank a memorandum on economic and financial policy will increase the burden of reforms on people. The declaration states that its signing before "the elaboration of a set of documents to socially and economically protect the working people" would mean a significant increase in the rate of unemployment and bankruptcy of enterprises. It would also decrease the standard of living to a dangerous level. The federation demands that the government should inform the population about the main terms of the memorandum. It warns the government that if the increases of minimal salaries, pensions, students' allowances, compensations, and the demands of the present declaration are not approved beginning 1 November, the trade unions will resort to protest manifestations, including the demand that the government should resign.

Party Leader Says Situation 'Favorable'

AU0111205193 Chisinau BASAPRESS in English 1820 GMT 30 Oct 93

[Text] Chisinau BASAPRESS, 30/10/1993—Dumitru Motpan, chairman of the Democratic Agrarian Party of Moldova [PDAM], leader of the parliamentary fraction Viata Satului (Village Life), declared to the newspaper PAMINT SI OAMENI that the current social-political situation is favorable for essential reforms. It is extremely important not to lose possibilities offered by the re-grouping of the forces. Motpan denied the fact that the agrarians played an active role in overcoming the parliamentary crisis. "Both our parliamentary fraction and PDAM managed to make progress in the difficult process of the post-totalitarian reconstruction of society," added Motpan. Motpan also indicated that the electoral program of the agrarians will be examined during the PDAM convention which will be held soon. The leader of agrarians affirmed that the most important means of information, especially radio and television are manipulated. "As long as no essential changes occur in the domain of mass media, we shall not rely much on democratic elections," argued Motpan.

Situation Said To Favor Left-Wing Parties

AU0111204993 Chisinau BASAPRESS in English 1820 GMT 30 Oct 93

[Text] Chisinau BASAPRESS, 30/10/1993—"People could vote for communists because the situation was stable during their rule," states reporter Gheorghe Erizanu in the newspaper CURIERUL DE SEARA. "The transition government managed to discredit capitalism much easier than the former Soviet propaganda," states the author. He adds that it pauperized the majority of people. "The communist nomenclature advantaged by its relationships in former USSR became during a night in August 1991 the new economic structure, the layer of the new businessmen," states Erizanu. In his opinion, in the beginning they needed chaos, "now when they have money they need several laws that could be a start for stability." The left wing traditionally belonged to the communists; the Christian-Democratic Popular Front of Moldova, due to its mistakes and ambitions, is placed on the right, and because of that the new parties declared themselves center ones, states Erizanu. "The Moldovan Communist Party could be set up in the present political confusion as a ghost party acting for those who declared themselves center parties, although they are nothing else but successors of the former CPSU [Communist Party of the Soviet Union]."

Kazakhstan

President Nazarbayev Tours Almaty Oblast

LD0111163193 Almaty Kazakh Radio Network in Russian 0900 GMT 1 Nov 93

[Excerpts] As has already been reported, on 30 October Nursultan Nazarbayev visited Zhambylskiy Rayon of Almaty Oblast. He met veterans and old-timers in Uzun Agach village. [passage omitted]

The head of state said that our country has a tremendous intellectual cadre and production potential which should be used in a most efficient way in the interests of the multiethnic population of the Republic. The Kazakh nation must play a unifying role in this process of integration. [passage omitted]

Nazarbayev visited fields of the collective farm named after Lenin and familiarized himself with the technology of growing maize. [passage omitted]

The head of state highly praised the technology, which is new to Kazakhstan, and the work of German grain harvesting combines bought by the collective farm. [passage omitted] On his visit, the president was accompanied by Akhmedzhan Yesimov, head of Almaty Oblast Administration.

Supreme Council Chairman Meets Italian Envoy

LD0111164993 Almaty Kazakh Radio Network in Kazakh 1500 GMT 1 Nov 93

[Text] Today Supreme Council Chairman Serikbolsyn Abdildin received Maurizio Ciotti, ambassador extraordinary and plenipotentiary of Italy to Kazakhstan, at his request. The readiness of Kazakhstan to set up a parliamentary group for strengthening friendship and cooperation with Italy was stressed. The ambassador, speaking about his country's wish for such cooperation, noted that a deputies group for friendship with Kazakhstan has already been set up and is functioning in Italy. The sides also discussed other questions.

Deputy Prime Minister on Monetary Merger

LD0111191493 Almaty Kazakh Radio Network in Kazakh 1500 GMT 1 Nov 93

[Remarks by Daulet Sembayev, Kazakhstani first deputy prime minister, on 1 November at opening of news conference in Almaty—recorded]

[Excerpts] Good evening ladies and gentlemen. Lately our meetings have become more and more frequent. We try to inform you as fully as we can. Unfortunately, these meetings do not always bring moral satisfaction. What I mean is as follows:

Before leaving Moscow, I gave a news conference to highlight the outcome of our meeting with the Russian delegation. Some of the most urgent questions, such as the subject matter of the discrepancies that emerged at the talks, and our different approach to the mechanisms of merging the monetary systems, were not covered sufficiently and clearly enough, although I tried to disclose this. I think that the population of our republic and Russia are entitled to know what was going on and why it took so long to negotiate, as well as why these talks are not easy to hold.

As you know, after the bilateral agreement had been signed, our parliament initialed it, and it seemed that there were no questions to the Kazakh side. This agreement was approved by parliament. However, as you know, the Russian side has not yet done this. At present, it does not seem possible. It is not by chance that some ideas exist that this agreement should be initialed by a new constitutional assembly of Russia, and this means that the problem of merging the monetary systems is likely to be postponed to a later date.

During Mr. Shokhin's last visit here, we had discord concerning the system of indicators, and we gave different figures. The duration of the visit was limited, and we decided to continue these talks in Moscow. But when we met in Moscow, the Russian side put forward principally new stipulations which, in my opinion, absolutely negated those principles that had been laid in the bilateral agreement signed by our prime ministers and chairmen of the boards of our central banks. These stipulations make it wittingly impossible for us to accept them. To speak frankly, Kazakhstan is being ousted out of the ruble zone—if this zone still exists—and at present we have simply lost the possibility for merging our financial systems.

During my short introductory speech, I would like to draw your attention to the stage of this work and to try to prove that Kazakhstan is not to blame for this situation. You all know very well the stance of our president and the policy of our government aimed at the maximum integration of our economies. [passage omitted]

This situation in our monetary systems will in a certain way be reflected in negotiating the formation of the economic union and the attitude of our government to the CIS principles in general. All these problems will have to be reassesed. All this will bring about a new angle to all these questions; this, at least, is my personal opinion.

I can tell you that tomorrow the prime ministers of Russia and Kazakhstan will meet to discuss the principles of the functioning of our financial systems and their interaction. Proceeding from the present day's realities, meachanisms should be elaborated that will guarantee mutual payment and interaction between enterprises of the two countries. Questions on non-trade payments should be tackled as well the interaction of bank systems, in view of introducing either an interim or permanent national currency in Kazakhstan. All further work should be done in this specific way.

We all understand too well the importance of these problems and the decisions to be made. Kazakhstan as always stands for maximum efforts to avoid disruption of economic ties with Russia and a deterioration of the economies of Russia and Kazakhstan, despite, maybe, different financial systems and different advisors whom the states consult. We must do our utmost to maximize the effort toward maintaining our trade relations at the same level, or maybe even improve them, and mutually help each other to make our economies healthier, more stable, in order to achieve higher living standards for the population.

This is a very complicated question. I would like to highlight a number of points that pushed us toward the need to adopt very urgent measures in order to settle the issue with monetary circulation in Kazakhstan. [passage omitted]

Beside this legal aspect, we are facing a massive inflow of money to the republic, and we feel it, for instance on the disproportion of cash and non-cash pecuniar circulation. [passage omitted]

Big sums of the old issue rubles are imported to Kazakhstan from many countries of the CIS. [passage omitted] We have insisted that those states that have introduced their own currencies should return the old banknotes to Russia. But not a single state has done this. This has resulted in a lack of currency in Kazakhstan, because with the present rates of currency interventions it is impossible for us to work. The Russian side agrees with us that to support the ruble which is in circulation in Kazakhstan does not make any sense economically. [passage omitted]

The agreement on friendship, cooperation, and mutual help with Russia in its 16th provision says that the sides coordinate their efforts in the sphere of economic transformations, including monetary, crediting, currency, taxation, and pricing policies, and each side will refrain from measures that will destabilize the economic situation of the other side. The present situation in our finances—and Mr. Shokhin has agreed to that—has been generated by the disconcerted actions, the one-sided actions of the Central Bank of Russia, which introduced its national currency without notifying us. [passage omitted]

On 9 October 1992, in Bishkek, we concluded an agreement that our monetary and crediting policies will be coordinated. [passage omitted]

Thus, on 6 September, a six-sided agreement was signed in Moscow. It stated that further relations will be built on a bilateral basis, and Russia is ready to provide its partners with the 1993 issue banknotes within a fortnight. On 23 September, Russia and Kazakhstan signed a bilateral agreement. Provision 14 of this agreement said that it would come into force as soon as the sides informed each other that they had completed and observed all legal procedures of this international agreement. On 12 October the Supreme Kenges session approved it. [passage omitted]

What Russia is proposing is, within half a year or so, to merge our cash and non-cash circulations. All money that our republic has determined for non-cash circulation should be registered as our state debt to Russia. Kazakhstan must give hard currency and our gold to the Central Bank of Russia. The difference of what we pay to them and the remaining part of our debt should be taken by Kazakhstan as a state credit from Russia. [passage omitted]

The merging of cash circulation had two alternatives. If Kazakhstan insists on receiving banknotes in advance, then one scenario has been determined; and if this merging was to take place at the same time as the non-cash one, then they had a slightly different scenario. But the main thing is that it is formulated as our state debt, and this money should be purchased from Russia for the gold and hard currency reserves of our state. [passage omitted]

As you see, we do not have all these finances, and it means that not only we ourselves, but our offspring will be indebted to Russia. These conditions force us to say that they are not acceptable, and the question of merging the monetary systems on these conditions is ruled out. [passage omitted]

Our attitude is [passage indistinct] it is a time when everyone counts their own money and is guided by its own choice [passage indistinct]. Russia is ready to give us technical assistance, and our prime minister's visit tomorrow will be connected with formulating these mechanisms and signing an agreement which will enable us to avoid disruption of financial ties between our banks, so that we can part in a civilized way. That is about all I wanted to say.

Armenia

Parliament Adopts Bills on Privatization, Military Service

NC0111205193 Yerevan Armenia's Radio First Program Network in Armenian 1800 GMT 1 Nov 93

[Text] The Armenian Supreme Council met today in extraordinary session that was called by the chairman of the parliament and 93 deputies.

After adopting the agenda proposed by the initiating group, the Supreme Council started debating the amendments and addenda to the law on privatization of state enterprises and unfinished buildings, and on denationalization.

After an exchange of views, the representatives of the political party groupings expressed their views on the issue. The overwhelming majority favored adopting the bill. Only the Armenian Revolutionary Federation opposed the government's proposal to hand over 20 percent of the overall value of the enterprises to the labor collectives with no charge. It tried to link this concrete problem that needs to be solved at this stage with the overall privatization process and with the discussion of the overall privatization package.

Speaking on behalf of Armenian Pannational Movement [APM], which was the main group pushing for the adoption of the bill, People's Deputy Eduard Yegoryan again stressed the importance of this step in the initial stage of the privatization process for the stimulation of the economy, acceleration of the reform process, and for certain amelioration of the social needs of nearly 350,000 workers. He called on the people's deputies to vote for the bill.

Deputy Chairman of the Supreme Council Artashes Tumanyan also spoke at the session.

The parliament then adopted with 152 votes the bill on amendments and addenda to the law on privatization of state enterprises and unfinished buildings, and on denationalization. It also adopted a law on the procedure for implementing the law.

The first chairman of the Supreme Council, Ara Sahakyan, called on the Armenian Finance Minister Levon Barkhudaryan to provide additional information on the redistribution of credit emissions for 1993, which was the second issue on the agenda.

After an exchange of views, the Supreme Council adopted a law on the redistribution of credit emissions.

At the evening session held under the Secretary of the Supreme Council Varazdat Avoyan, the session discussed a bill on amendments and addenda to the law on military service. Gevorg Bagdasaryan, chairman of the Standing Commission on Defense and Internal Troops Affairs, and Kim Balayan, chairman of the Legal Affairs Commission, spoke on the issue. The deputies defended the suggested amendments to the law. State Minister Vazgen Sargisyan also spoke in favor of the bill. The Supreme Council then adopted the bill on amendments to the law on military service. It also adopted a law on the procedure to implement this law.

Finally, Deputy Father Husik Lazaryan, president of the APM administrative board, spoke in the name of APM parliamentary group and thanked the people's deputies for adopting important decisions with their active and productive participation in the debate, and hoped that the Supreme Council will spur political and economic reforms by its decisions in the future.

With this, the extraordinary session of the parliament concluded.

National Democratic Union Holds First Congress

NC0111201093 Yerevan SNARK in English 1551 GMT 1 Nov 93

[Text] Yerevan, November 1 (SNARK)—In Yerevan, first congress of the National-Democratic Union (NDU), which was created 2 years ago, has taken place.

David Vardanyan, the former member of "Karabakh" Committee, the head of Parliament's Commission of Foreign Affairs, was elected as the chairman of the party.

Shavarsh Kocharyan, the member of the Board of Administration of the NDU, said to SNARK that the congress has admitted the programming regulations and the charter of the party.

National-Democrats of Armenia are for parliamental republic and the creating of the non-state organization World-Armenian Congress, which will combine Armenian communities, Armenian cultural and professional associations, church, social, and political organizations of the world.

According to the observers, Vazgen Manukyan, the former Prime-Minister of Armenia, elected to the administration board, is the serious competitor of Levon Ter-Petrosyan, the President of Armenia.

Azerbaijan

Russia Said Setting Conditions for Intervention

NC0111170093 Baku TURAN in English 1348 GMT 1 Nov 93

(Text) Baku, November 1 (TURAN)—As Moscow's correspondent of TURAN had been credibly told by Foreign Ministry of Russian Federation, official Baku, representatives of foreign and defense ministries of Russia have been intensively negotiating for the [past] two days in Moscow. Azerbaijan asks Russia to exert influence on Armenia to stop aggression against Azerbaijan.

It is reported, within the process of lasting contacts Azerbaijan was told that Russia wished to receive Baku's

agreement on introducing 10 miles zone in the Caspian Sea and also Baku's agreement on introducing Russian forces in the zone of Armenian-Azerbaijan conflict as peacemaking separating ones.

It should be pointed out that Russia's condition to create borders of territorial waters on the Caspian Sea is harder than 12 miles zone corresponding to sea status of the Caspian Sea.

Armenians Capture 'Entire Southwest,' Refugees Flee

LD0111193493 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 1 Nov 93

[From the "Novosti" newscast]

[Text] [Announcer] The situation in the so-called hot spots on the former Soviet Union's territory became more alarming today. Our correspondent in Azerbaijan telephoned our editorial office during the day and told us that Armenian troops had seized a further 62 populated settlements.

[Correspondent Mais Mamedov] On 25 October the Armenian armed forces commenced their large-scale offensive. By today, they had seized a further 62 populated settlements. Thus the entire southwest of Azerbaijan has turned out to be in the enemy's hands. Four rayons with a population of 300,000 are situated here.

Fleeing the firing, the besieged civilians had to flee into neighboring Iran. Our neighbors, the Iranians, give the refugees warmth and food and then sendtthem home to Imishlinskiy rayon, where the previous population figure of 100,000 has swelled to about 350,000.

Some refugees have been put up in cattle trucks; most of them have to stay out in the open due to a shortage of tents which in any case would hardly protect people from the winter cold. Shortages of bread and other foodstuffs are making themselves felt and there is a serious threat of epidemics.

Lala-Shovket Gadzhiyeva, Azerbaijan's state secretary, called this scene a national tragedy. She told refugees that the state will take the most vigorous measures in the very near future to help them return home.

Baku regards this latest aggressive step by Armenian formations as an attem .t to exert pressure in order to achieve recognition for the self-proclaimed Nagorno Karabakh republic; however, this just negates all the peace efforts by Russia and the world community and threatens to turn into a larger war.

[Announcer] However, the Nagorno-Karabakh defense army headquarters has, according to ITAR-TASS, denied reports attributed to Azerbaijani sources that Karabakh army subunits have entered Beylaganskiy Rayon of Azerbaijan.

Capture Creates 'Critical' Situation

LD0111171293 Moscow INTERFAX in English 1558 GMT 1 Nov 93

[From the "Presidential Bulletin" feature]

[Text] A source close to the Azerbaijani president has told Interfax that the seizure of the railway terminal and the village of Goradiz and the offensive on and seizure of the Zangelan region puts Azerbaijan in a critical position. He said that as a result of the Armenian offensive, four southwestern regions had been lost and at least 60,000 more people would become refugees. Now that winter is approaching, refugees are becoming Baku's most serious problem.

The same source stated that, according to unofficial information, the population of the Beilagan region, on whose borders Armenian forces were concentrating, were leaving their homes. This process may assume an avalanche character, he added.

IF [INTERFAX] Note: A source in the Azerbaijani Defense Ministry said that about 40,000 Azerbaijani refugees, who had abandoned the blocked southwestern regions, had gathered in the Iranian territory.

Asked what measures the Azerbaijani leaders were planning to take following the deterioration of the situation in the zone of the Karabakh conflict, this source stated that Baku was planning to intensify its diplomatic efforts, above all through the CSCE and the UN. Serious consultations would be held with the neighboring states and the U.S., he said.

He expressed hope that in the face of the Armenian aggression the CIS peace-keeping mechanism will be put into action at last. Azerbaijan counts on assistance from fraternal Central Asian republics, he added.

Azerbaijani military experts believe that Armenian forces may continue their offensive operations in three directions: Beilagan, Imishli (east of the four southwestern regions already occupied), Geranboi and the northwestern borders of Azerbaijan, where the main railways and the pipeline linking Azerbaijan and Georgia run.

According to unofficial information provided by a source in the Azerbaijani Defense Ministry, the Armenian forces continued their offensive in the Zangelan region yesterday. Azerbaijani refugees are moving to Iran across the River Araks, from where they may get to the Beilagan region, located east of the Goradiz railway terminal which was seized by Armenian forces.

Azerbaijani State Secretary Lala Gadzhiyeva visited the southwestern regions last weekend. By agreement with the Iranian government, she also visited the Iranian bank of the River Araks where many refugees had gathered.

She sharply criticized the Azerbaijani forces' conduct during the defense of Goradiz and Zangelan, when whole

units abandoned their positions. To quote Gadzhiyeva, the enemy had seized ammunition sufficient for five wars.

Delegation Leaves for Minsk Group Meeting

NC0111163293 Baku TURAN in English 1348 GMT 1 Nov 93

[Text] Baku, November 1 (TURAN)—Today the official delegation of Azerbaijan headed by the state adviser on foreign matters Vafa Gulizade left for Vienna to participate in the next meeting of the CSCE Minsk Group on peaceful regulation of the Armenian-Azeri conflict, which is to open November 2.

The Azeri Foreign Ministry official told TURAN agency, that the new terms of the schedule of urgent measures on regulation of the conflict will be discussed at this sitting of the Minsk group in Vienna.

To his mind, till now the realization of the schedule have been ruining on the blame of the Armenian party.

Together with this, Azerbaijan was not satisfied by the results of the latest September sitting of the Minsk group in Paris, as the forwarded variant of the schedule did not urge for the withdrawal of the occupational Armenian forces from Shusha and Lachin. The official Baku nevertheless stressed the importance of the continuation of the consultations on this matter within the framework of the Minsk group.

As TURAN agency was told at the Azeri Foreign Ministry, the next expansionist actions of Armenian forces urges to make necessary corrections in the terms of realization of peacemaking measures in the region. If the previous variant of the schedule envisaged the withdrawal of the Armenian forces from Kelbadzharskiy region of Azerbaijan, seized this April, then the next schedule of urgent measures have to urge the withdrawal of the Armenian troops from the five regions of Azerbaijan, seized for the last half of the year.

The Foreign Minister of Azerbaijan Gasan Gasanov said while meeting with the CSCE Chairman Margaret af Ugglas last week, that under the conditions of the continuing aggression of Armenia, the holding of the next Vienna meeting on corrections of the terms of the schedule of urgent measures looses its purport.

Together with this, Azerbaijan demonstrating its adherence to the peaceful regulation of the Armenian-Azeri conflict, have decided to participate in Vienna meeting, the press-center of the Azeri Foreign Ministry stressed.

Approach to UN Seen as Bid To Avenge Defeats

PM0111162193 Moscow IZVESTIYA in Russian 30 Oct 93 First Edition pp 1, 2

[Sokhbet Mamedov report: "Azerbaijan Demands Urgent Convening of UN Security Council"]

[Text] Baku, 29 October—The Azerbaijan Foreign Ministry has issued a statement sharply condemning the escalation of hostilities in the region. It states in particular that "Azerbaijan regards the latest offensive by the Armenian Armed Forces as a flagrant act of aggression which is aimed at wrecking the negotiation process and could internationalize the conflict."

Unable to resist the enemy's superior might, the Azerbaijan leadership is seeking to exact revenge on the diplomatic front and to use the international organization to force the Armenian side to stop further advances de ,p inside the republic's territory. To this end Azerbaijan Foreign Minister Gasan Gasanov invited the ammbassadors of the United States, Britain, Russia, France, and China to his department. After briefing them on the development of events, he urged the governments of countries which are permanent members of the UN Security Council to take immediate measures. President G. Aliyev has called on the UN Security Council chairman to convene an urgent session.

However, the desire to resolve this bloody problem for Azerbaijan at the level of international organizations effectively means that the Armenian-Azerbaijan conflict has long since become an international one.

Many observers in Azerbaijan have drawn the conclusion that the control of military operations in Karabakh can be traced back via Yerevan to the capitals of those states which have certain interests in Azerbaijan. The leaders of foreign diplomatic missions in Azerbaijan have expressed their attitude to recent events. Russian Federation Ambassador Valter Shonia, in particular, told TURAN that "Russia is ready to assume the burden of efforts to settle the conflict and also to act in the role of peacemaker." In so doing Mr. Shoniya did not rule out the possibility of the involvement of Russian troops as part of peacemaking forces. According to him, "the sides must be disengaged wherever they are actually opposing and firing at each other." However, the Turkish ambassador in Azerbaijan, Altan Karamanoglu, stated that Turkey has been pursuing a consistent line of promoting a peaceful settlement of the conflict within the CSCE framework. Regarding peacemaking forces, in Karamanoglu's opinion, it is possible to commit them to the region after the unconditional liberation of the occupied territories of Azerbaijan. According to him, those forces should be stationed not in Azerbaijan but on the Armenia-Azerbaijan border.

However, the exchange of diplomatic civilities in no way improves the situation in the surrounded Zangelanskiy Rayon, where the 60,000-strong population has been left to the mercy of fate. The evacuation of civilians across the Araks River has been blocked by armored groups of the Armenian Armed Forces attacking from the direction of Armenia's Megrinskiy Rayon, the Azerbaijan Defense Ministry reports. People are trying to swim to safety on Iranian territory. Many people have lost those dear to them. Civilians have suffered death and injury.

The fate of Zangelanskiy Rayon can thus be said to hang by a thread. With its capture the Armenian Armed Forces will take the whole of the southwestern part of the Azerbaijan Republic under its control.

Assassination Attempt Reported on General in Rostov

NC0111171393 Baku TURAN in English 1348 1 Nov GMT 93

[Text] Baku, November 1 (TURAN)—As we have been credibly informed by the legal bodies of Russian federation, October 21 former (November 1991-May 1992) head of General Headquarters of Azeri Armed Forces Major-General Shain Musayev was made an attempt upon in Rostov. [sentence as received] The attempt had been realized when General Musayev was on a visit to his friend Colonel Polyanskiy. Four terrorists opened the fire, Musayev was wounded Polyanskiy [as received] and was brought to the hospital with serious injury. As the workers of internal affairs think, this crime was organized by Armenian terrorist organization and was aimed at killing Azeri general. He was considered in Baku to be possible nominee for one of the top offices in military guidance of Azerbaijan. It is not for the first time when Rostov becomes the scene of Armenian terrorism. In 1991 group of armed Armenians killed General Blakotin there, who had been taken for another General Blakotin (commandant of Nagorno-Karabakh from 1990 till 1991).

Presidential Edict Establishes Defense Council

LD0211110393 Moscow ITAR-TASS in English 1103 GMT 2 Nov 93

[By ITAR-TASS correspondents Sevinj Abdullayeva and Viktor Shulman] txt
[Text] Baku, November 2 (TASS)—Azerbaijan's defence council was set up on Tuesday by a decree of the republic's president. This decision "was prompted by an utter aggravation of the military-political situation in Azerbaijan resultant of the loss of territories in the republic's south-west, which is now fully controlled by Armenian armed forces," the decree said.

According to unofficial data, almost one-third of Azerbaijan lands is occupied by Armenia by now.

Deserters Aggravating 'Criminal Situation' in Baku

NC0111215093 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 1 Nov 93

[Excerpt] Taking advantage of the tense situation on the frontlines, lately some soldiers have been abandoning their army units and coming to Baku without permission. This is further exacerbating the criminal situation in the capital. [passage omitted]

Commentary Urges Citizens To Wage 'Holy War'

NC0111215993 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 1 Nov 93

[Station commentary]

[Excerpt] Azerbaijan today is facing a difficult trial. At the very moment when we are taking steps toward forming an independent Azerbaijan Republic, the sinister enemy has no intention to stop scorching the Land of Fire [ancient name for Azerbaijan]. In the face of the enemy threat to kill us, we must respond with a holy war, declaring that we will not die. Instead of uttering slogans about the homeland being in a difficult position, we must fall like martyrs for every inch of the homeland in order to extricate it from its present difficulty.

In difficult days the homeland relies on brave young men. These young men should form up and march on the enemy like a disciplined army and throw themselves into the war of life and death. The state relies on two forces: the people's soul and the army. It is difficult to expect an undisciplined army to solve important historical problems. Now tough laws must be implemented in all spheres. Tough military laws must be introduced in the Azerbaijani Army we are creating. Only the Azerbaijani Army can and should defend the country. The state must respond with tough laws against those who do not deserve to be its citizens during its difficult days. [pasage omitted]

Georgia

Fighting in West Continues; Curfew Imposed

LD0111132893 Moscow Russian Television Network in Russian 1100 GMT 1 Nov 93

[Report by correspondent M. Chernobrovkina]

[Text] Georgian troops, after recapturing the town of Senaki yesterday, brought in additional forces to the town on Sunday [31 October] night. As the press service of the Georgian Defense Ministry reported, the reinforcements are necessary for a further offensive on the town of Khobi, situated 22 km from Zugdidi. According to reliable information, it has been decided to introduce a curfew in several of Georgia's western rayons from 2200 until 0600, starting today.

The press center of the Trancaucasus Group of Russian Troops has claimed that Russian troops did not take part in the storming of Senaki. The servicemen, who were guarding the railway bridge near Senaki and who left the positions they occupied on Friday, are still in the town of Abasha. In the words of the head of the press center, there have been no attacks on the Russian troops guarding the transport communication links.

Russian General Cited

NC0111190093 Yerevan SNARK in English 1309 GMT 1 Nov 93

[Text] Tbilisi, November 1 (SNARK)—"Despite the facts of Gamsakhurdia's detachments assaults of the Russian posts, which are becoming more frequent, the detachments of the Russian Army are going on with the guarding of the strategic ways in the western Georgia", Major-General Yuriy Baluyevskiy, first deputy commander of the Group of Russian Forces in Transcaucasia, head of the staff, told SNARK. He also informed of two assault which took place on October 30.

At 9:30 the military detachments of the Georgian ex-President supporters assault the Russian post at the railway at the Senaky town. The Russian soldiers had to retaliate, the attackers had to retreat and take up a defensive position at the southern borders of the Abasha town.

At 11:25 the other Russian post in the Samtredia region was shelled. The attackers—the Loty Kobalia soldiers—retreated in the southern direction.

Commenting on the events Yuriy Baluyevskiy said that the Russian side did a lot to prevent the incidents, "We tried not to retaliate but when the posts were shelled we had to response". Yuriy Baluyevskiy is sure the attackers were the supporters of the Georgian ex-President. According to him the Senaky town was captured by the time of the attacks.

Bridge Destroyed To Limit Fighting

LD0111164293 Moscow ITAR-TASS World Service in Russian 1557 GMT 1 Nov 93

[By ITAR-TASS correspondent Albert Kochetkov]

[Text] Tbilisi, 1 Nov—The possibility of the conflict in western Georgia spreading to neighboring Ajaria cannot be ruled out. Therefore, one of three bridges across the River Choloki has been blown up in order to confine the hostilities within western Georgia itself.

According to the Georgian military command, armed units loyal to the former president may try to redeploy inside Ajaria, which has so far escaped the civil war in western Georgia, if they see defeat looming. For this reason, one of the border bridges on the most likely line of retreat by anti-government detachments has been destroyed with the agreement of the Ajar leadership.

Offensive on Khobi Continues

LD0111185693 Moscow INTERFAX in English 1741 GMT 1 Nov 93

[Text] Georgian government forces on Monday afternoon continued their offensive against the rebels of ex-President Zviad Gamsakhurdia positioned in the west Georgian town of Khobi, about 25 km from the rebel stronghold of Zugdidi.

The Georgian Defense Ministry's press center has declined to give any details about the progress of the offensive.

According to the press center of the Russian Armed Forces Group in the Transcaucasus, Russian troops guarding transport communications running close to the warfare zone are keeping out of the fighting.

Besides Khobi and Zugdidi, the rebels remain in control of Tsalendzhikha and Chkhorotsku.

According to some sources, Zugdidi is strongly fortified, all the roads leading to it being blocked by concrete slabs.

No Major Fighting 1 Nov

LD0211101093 Tbilisi Radio Tbilisi Network in Georgian 0800 GMT 2 Nov 93

[Text] Major Soso Margishvili, the head of the Georgian Defense Ministry press center, told us this morning that no significant fighting had taken place in the conflict zone yesterday. The opposing sides were holding on to their positions. To prevent looting and banditry a curfew has been introduced in towns and rayons controlled by government forces.

Abasha 'Relatively Calm'

LD0211102093 Tbilisi Radio Tbilisi Network in Georgian 0900 GMT 2 Nov 93

[Text] We received information from Abasha this morning, reporting that the rayon is relatively calm. There are fewer incidents of banditry and looting. The population is being supplied with electricity. Bread is being baked, though in small quantities. The schools in the rayon remain closed.

We also heard from Abasha that government troops had concentrated their heavy equipment and artillery on the approaches to Khobi. It is expected that during the day Khobi will be freed from the ex-president's supporters.